



1006402



Vickery Environmental, Inc.  
A Waste Management Company  
3956 State Route 412  
Vickery, Ohio 43464  
419-547-7791  
Fax: 419-547-6144

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**  
7099 3400 0008 3893 8247

May 10, 2000

Mr. Frances Lyons  
Regional Administrator  
U.S. EPA, Region 5  
77 W. Jackson Blvd.  
Chicago, IL 60604

RE: Sudden and Non-Sudden Accidental Liability Insurance  
for Vickery Environmental, Inc.

Dear Mr. Lyons:

Enclosed are two signed copies of Vickery Environmental, Inc.'s (VEI), (previously known as Waste Management of Ohio, Inc.) Hazardous Waste Facility Certificates of Liability Insurance required by 40 CFR 264.147.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Vickery Environmental, Inc.

RECEIVED  
MAY 15 2000  
DIVISION FRONT OFFICE  
Waste, Pesticides & Toxics Division  
U.S. EPA - REGION 5

RECEIVED  
MAY 31 2000  
WASTE MANAGEMENT BRANCH  
Waste, Pesticides & Toxics Division  
U.S. EPA - REGION 5

Mr. Frances Lyons

USEPA

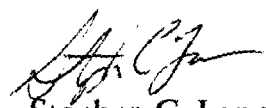
May 10, 2000

Page 2

If you have any questions, please contact Ms. Sandy Clark at (419) 547-3335.

Sincerely,

VICKERY ENVIRONMENTAL, INC.



Stephen C. Lonneman  
General Manager

SCL/slc

Attachments

Vickery Environmental, Inc.

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. American International Specialty Lines Insurance Company, (the "Insurer"), of Harborside Financial Center, 401 Plaza Three, Jersey City, New Jersey 07311 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured") of 1001 Fannin, Suite 4000, Houston, TX 77002 in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

**EPA ID No.**

OHD 020273819

**Ohio Permit #**

03-72-0191

**Name, Address**

Vickery Environmental, Inc.  
3956 State Route 412  
Vickery, OH 43464

for sudden accidental occurrences. The limits of liability are \$1,000,000 for each occurrence and \$2,000,000 annual aggregate, exclusive of legal defense costs. The coverage provided under policy number PLS 819490400, issued on January 1, 2000. The effective date of said policy is January 1, 2000.

2. The Insurer further certifies the following with respect to the insurance described in paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147 (f) or 265.147 (f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer, the insured, a parent corporation providing insurance coverage for its subsidiary, or by a firm having an insurable interest in and obtaining liability insurance on behalf of the owner or operator of the hazardous waste management facility, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.



Armand Pepin  
General Manager  
Authorized Representative  
ISLIC  
Morris Corporate Center II  
One Upper Pond Rd, Bldg D, 2<sup>nd</sup> Fl.  
Parsippany, NJ 07054

CERTIFICATE ISSUED TO:  
Regional Administrator  
USEPA Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

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**EPA ID No.**  
OHD 020273819


**Ohio Permit #**  
03-72-0191

**Name, Address**  
Vickery Environmental, Inc.  
3956 State Route 412  
Vickery, OH 43464

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 for each occurrence and \$6,000,000 annual aggregate, exclusive of legal defense costs. The coverage provided under policy number PLS 819490400, issued on January 1, 2000. The effective date of said policy is January 1, 2000.

2. The Insurer further certifies the following with respect to the insurance described in paragraph 1:
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  - (d) Cancellation of the insurance, whether by the Insurer, the insured, a parent corporation providing insurance coverage for its subsidiary, or by a firm having an insurable interest in and obtaining liability insurance on behalf of the owner or operator of the hazardous waste management facility, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
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Armand Pepin  
General Manager  
Authorized Representative  
AISLIC  
Morris Corporate Center II  
One Upper Pond Rd, Bldg D, 2<sup>nd</sup> Fl.  
Parsippany, NJ 07054

CERTIFICATE ISSUED TO:  
Regional Administrator  
USEPA Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604



04D0202 73819



**VICKERY ENVIRONMENTAL, INC.**

3956 State Route 412, Vickery, OH 43464

Phone: 419/547-7791 • Fax: 419/547-6144

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

7000 0600 0028 4273 3651

RECEIVED

MAY 3 2001

WASTE MANAGEMENT BRANCH  
Waste, Pesticides & Toxics Division  
U.S. EPA — REGION 5

April 24, 2001

Mr. David Ullrich  
Regional Administrator  
U.S. EPA, Region 5  
77 W. Jackson Blvd.  
Chicago, IL 60604

RE: Sudden and Non-Sudden Accidental Liability Insurance  
for Vickery Environmental, Inc.

Dear Mr. Ullrich:

Enclosed are two signed copies of Vickery Environmental, Inc.'s (VEI) Hazardous Waste Facility Certificates of Liability Insurance required by 40 CFR 264.147.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

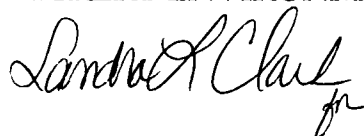


Mr. David Ullrich, USEPA  
April 24, 2001  
Page 2

If you have any questions, please contact Ms. Sandy Clark at (419) 547-3335.

Sincerely,

VICKERY ENVIRONMENTAL, INC.

A handwritten signature in cursive script, appearing to read "Stephen C. Lonneman".

Stephen C. Lonneman  
General Manager

SCL/slc

Attachments



Mr. David Ullrich, USEPA  
April 24, 2001  
Page 3

bcc w/:      Agency Correspondence  
                 EH&S Library

C:\WPWIN60\DOC\RCRA\FASSUREU2001.frm



## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY, (the "Insurer"), of 175 Water Street, Twelfth Floor, New York, New York 10038 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries, (the "insured"), of 1001 Farnin, Suite 4000, Houston, TX 77002 in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

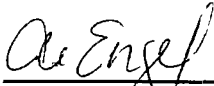
<u>NAME &amp; ADDRESS OF FACILITY</u>	<u>EPA ID NUMBER</u>	<u>OHIO PERMIT #</u>
Vickery Environmental Inc. 3956 State Route 412 Vickery, Ohio 43464	OHD020273819	03-72-0191

for SUDDEN ACCIDENTAL OCCURRENCES. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate, exclusive of legal defense costs. The coverage is provided under policy number PLS 819 490400 issued on January 1, 2001. The effective date of said policy is January 1, 2001.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:

- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
- (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
- (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
- (d) Cancellation of the insurance, whether by the insurer, the insured, a parent corporation providing insurance coverage for its subsidiary, or by a firm having an insurable interest in and obtaining liability insurance on behalf of the owner or operator of the hazardous waste management facility, will be effective only upon written notice and only after the expiration of 60 days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is(are) located.
- (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess surplus lines insurer, in one or more States.

  
\_\_\_\_\_  
Anthony V. Engel, Senior Risk Analyst,  
Authorized Representative of American International  
Specialty Lines Insurance Company  
8144 Walnut Hill Lanes, Suite 1800  
Dallas, Texas 75231

CERTIFICATE ISSUED TO:  
Regional Administrator  
USEPA Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY, (the "Insurer"), of 175 Water Street, Twelfth Floor, New York, New York 10038 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries, (the "insured"), of 1001 Fannin, Suite 4000, Houston, TX 77002 in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:


<u>NAME &amp; ADDRESS OF FACILITY</u>	<u>EPA ID NUMBER</u>	<u>OHIO PERMIT #</u>
Vickery Environmental Inc. 3956 State Route 412 Vickery, Ohio 43464	OHD020273819	03-72-0191

for NON-SUDDEN ACCIDENTAL OCCURRENCES. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate, exclusive of legal defense costs. The coverage is provided under policy number PLS 819 490400 issued on January 1, 2001. The effective date of said policy is January 1, 2001.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:

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- (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
- (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
- (d) Cancellation of the insurance, whether by the insurer, the insured, a parent corporation providing insurance coverage for its subsidiary, or by a firm having an insurable interest in and obtaining liability insurance on behalf of the owner or operator of the hazardous waste management facility, will be effective only upon written notice and only after the expiration of 60 days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is(are) located.
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\_\_\_\_\_  
Anthony V. Engel, Senior Risk Analyst,  
Authorized Representative of American International  
Specialty Lines Insurance Company  
8144 Walnut Hill Lanes, Suite 1800  
Dallas, Texas 75231

CERTIFICATE ISSUED TO:  
Regional Administrator  
USEPA Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

# WASTE MANAGEMENT OF OHIO, INC.

3956 STATE ROUTE 412 • VICKERY, OHIO 43464 • 419-547-7791 • FAX: 419-547-6144

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED  
P 311 952 119

April 12, 1999

Mr. David Ullrich  
Regional Administrator  
U.S. EPA, Region 5  
77 W. Jackson Blvd.  
Chicago, IL 60604

RE: Sudden and Non-Sudden Accidental Liability Insurance  
for Waste Management of Ohio, Inc. - Vickery Facility

Dear Mr. Ullrich:

0149 020 273 819

Enclosed are two signed copies of Waste Management of Ohio, Inc.'s Hazardous Waste Facility Certificates of Liability Insurance required by 40 CFR 264.147.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Mr. David Ullrich  
USEPA  
April 12, 1999  
Page 2

If you have any questions, please contact Ms. Sandy Clark at (419) 547-3335.

Sincerely,

WASTE MANAGEMENT OF OHIO, INC.



F.G. Nicari  
General Manager

FGN/slc

Attachments

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. American International Specialty Lines Insurance Company, (the "Insurer"), of Harborside Financial Center, 401 Plaza Three, Jersey City, New Jersey 07311 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured") of 1001 Fannin, Suite 4000, Houston, TX 77002 in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

EPA ID No.  
OHD 020273819

Ohio Permit #  
03-72-0191


Name, Address  
Waste Management of Ohio, Inc.  
3956 State Route 412  
Vickery, OH 43464

for sudden accidental occurrences. The limits of liability are \$1,000,000 for each occurrence and \$2,000,000 annual aggregate, exclusive of legal defense costs. The coverage provided under policy number PLS 8194904, issued on July 16, 1998. The effective date of said policy is January 1, 1998.

2. The Insurer further certifies the following with respect to the insurance described in paragraph 1:

- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
- (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147 (f) or 265.147 (f).
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- (d) Cancellation of the insurance, whether by the Insurer, the insured, a parent corporation providing insurance coverage for its subsidiary, or by a firm having an insurable interest in and obtaining liability insurance on behalf of the owner or operator of the hazardous waste management facility, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
- (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

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Stuart Samuel  
Middle Market Manager, Environmental Division  
Authorized Representative  
AIG Environmental  
Morris Corporate Center II  
One Upper Pond Road, Bldg D, 2<sup>nd</sup> Fl.  
Parsippany, NJ 07054

CERTIFICATE ISSUED TO:  
Regional Administrator  
USEPA Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604



## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

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EPA ID No.  
OHD 020273819

Ohio Permit #  
03-72-0191

Name, Address  
Waste Management of Ohio, Inc.  
3956 State Route 412  
Vickery, OH 43464

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 for each occurrence and \$6,000,000 annual aggregate, exclusive of legal defense costs. The coverage provided under policy number PLS 8194904, issued on July 16, 1998. The effective date of said policy is January 1, 1998.

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*Stuart Samuel*

Stuart Samuel  
Middle Market Manager, Environmental Division  
Authorized Representative  
AIG Environmental  
Morris Corporate Center II  
One Upper Pond Road, Bldg D, 2<sup>nd</sup> Fl.  
Parsippany, NJ 07054

CERTIFICATE ISSUED TO:  
Regional Administrator  
USEPA Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

RECEIVED

APR 20 1999

WASTE MANAGEMENT BRANCH  
Waste, Pesticides & Toxics Division  
U.S. EPA — REGION 5

**Waste Management<sup>SM</sup>**

Waste Management of Ohio, Inc.  
3956 State Route 412  
Vickery, Ohio 43464

Phone 419 547 7791  
Fax 419 547 6144

RECEIVED  
MAY 01 1998

MISSION FRONT OFFICE  
Waste, Pesticides & Toxics Division  
U.S. EPA - REGION 5

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**  
P 311 952 042

April 23, 1998

Mr. David Ullrich  
Regional Administrator  
U.S. EPA, Region 5  
77 W. Jackson Blvd.  
Chicago, IL 60604

RE: Sudden and Non-Sudden Accidental Liability Insurance  
for Waste Management of Ohio, Inc. - Vickery Facility

Dear Mr. Ullrich:

Enclosed are two signed copies of Waste Management of Ohio, Inc.'s Hazardous Waste Facility Certificates of Liability Insurance required by 40 CFR 264.147.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Mr. David Ullrich  
USEPA  
April 23, 1998  
Page 2

If you have any questions, please contact Ms. Sandy Clark at (419) 547-3335.

Sincerely,

WASTE MANAGEMENT OF OHIO, INC.



F.G. Nicar  
General Manager

FGN/slc

Attachments

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE


1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 175 Water St., New York, NY 10038 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Waste Management of Ohio Inc. 3956 State Route 412 Vickery, OH 43464	03-72-0191	OH0020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/98. The effective date of said policy is 4/25/98.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
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Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
175 Water Street  
New York, New York 10038

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region 5  
77 W. Jackson Blvd.  
Chicago, IL 60604

# HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE


1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 175 Water Street, New York, NY 10038 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak, Brook, IL 60521 in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Waste Management of Ohio, Inc. 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD02027819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1998. The effective date of said policy is April 25, 1998.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Director.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
 Joseph E. Sander  
 Assistant Secretary  
 Authorized Representative of  
 National Union Fire Insurance Co.  
 of Pittsburgh, PA  
 Water St.  
 New York, New York 10038

## CERTIFICATE ISSUED TO:

Regional Administrator  
 USEPA - Region 5  
 77 W. Jackson Blvd.  
 Chicago, IL 60604

# WASTE MANAGEMENT OF OHIO, INC.

3956 STATE ROUTE 412 • VICKERY, OHIO 43464 • 419-547-7791 • FAX: 419-547-6144

## CERTIFIED MAIL

## RETURN RECEIPT REQUESTED

P 311 952 210

December 30, 1997

Mr. David Ullrich  
Regional Administrator  
U.S. EPA, Region 5  
77 W. Jackson Blvd.  
Chicago, IL 60604

RE: Updated Sudden and Non-Sudden Accidental Liability Insurance  
Waste Management of Ohio, Inc. - Vickery Facility

Dear Mr. Ullrich:

Enclosed are two signed copies of Hazardous Waste Facility Certificates of Liability Insurance required by 40 CFR 264.147 reflecting the facility's name change from Chemical Waste Management, Inc. to Waste Management of Ohio, Inc.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Mr. David Ullrich  
December 30, 1997  
Page 2

If you have any questions, please contact Ms. Sandy Clark at (419) 547-3335.

Sincerely,

WASTE MANAGEMENT OF OHIO, INC.

A handwritten signature in cursive script, appearing to read "F.G. Nicari", followed by a small flourish.

F.G. Nicari  
General Manager

FGN/tr

Attachments



HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE


1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to WMX Technologies, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit # Number</u>	<u>EPA Identification</u>
Waste Management of Ohio Inc. 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/97. The effective date of said policy is 4/25/97.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

  
Joseph E. Gander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

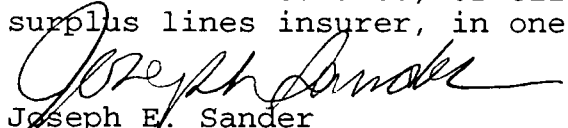
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Waste Management of Ohio, Inc. 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1997. The effective date of said policy is April 25, 1997.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
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  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
Pine St.  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

WPT

# CHEMICAL WASTE MANAGEMENT, INC.

3956 STATE ROUTE 412 • VICKERY, OH 43464 • (419) 547-7791 • FAX: (419) 547-6144

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED  
P 311 951 942

IVED

April 22, 1997

APR 28 1997

Mr. Valdus Adamkus  
Regional Administrator  
U.S. EPA, Region 5  
77 W. Jackson Blvd.  
Chicago, IL 60604

EPA REGION 5  
REGIONAL ADMINISTRATION

RE: Sudden and Non-Sudden Accidental Liability Insurance  
for Chemical Waste Management, Inc. - Vickery Facility

Dear Mr. Adamkus:

Enclosed are two signed copies of CWM's Hazardous Waste Facility  
Certificates of Liability Insurance required by 40 CFR 264.147.

I certify under penalty of law that this document and all  
attachments were prepared under my direction or supervision in  
accordance with a system designed to assure that qualified  
personnel properly gather and evaluate the information submitted.  
Based on my inquiry of the person or persons who manage the system,  
or those persons directly responsible for gathering the  
information, the information submitted is to the best of my  
knowledge and belief, true, accurate, and complete. I am aware  
that there are significant penalties for submitting false  
information, including the possibility of fine and imprisonment for  
knowing violations.

Mr. Valdus Adamkus, Regional Administrator  
USEPA, Region 5  
April 22, 1997  
Page 2

If you have any questions, please contact Ms. Sandy Clark at (419)  
547-3335.

Sincerely,

CHEMICAL WASTE MANAGEMENT, INC.



F.G. Nicar  
General Manager

FGN/tr

Attachments

# HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

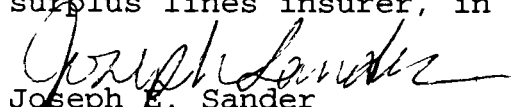
1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to WMX Technologies, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit # Number</u>	<u>EPA Identification</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/97. The effective date of said policy is 4/25/97.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
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  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

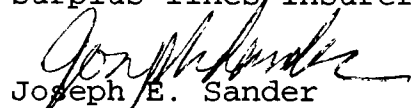
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1997. The effective date of said policy is April 25, 1997.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
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I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

OHD 020 273 819  
B0109

# CHEMICAL WASTE MANAGEMENT, INC.

3956 STATE ROUTE 412 • VICKERY, OH 43464 • (419) 547-7791 • FAX: (419) 547-6144

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

P 602 174 528

RECEIVED

June 6, 1996

OFFICE OF RCRA  
WASTE MANAGEMENT DIVISION  
EPA REGION 5

Mr. Valdus Adamkus  
Regional Administrator  
U.S. EPA, Region 5  
77 W. Jackson Blvd.  
Chicago, IL 60604

RE: Sudden and Non-Sudden Accidental Liability Insurance  
for Chemical Waste Management, Inc. - Vickery Facility

Dear Mr. Adamkus:

Enclosed are two signed copies of CWM's Hazardous Waste Facility  
Certificates of Liability Insurance required by 40 CFR 264.147.

I certify under penalty of law that this document and all  
attachments were prepared under my direction or supervision in  
accordance with a system designed to assure that qualified  
personnel properly gather and evaluate the information submitted.  
Based on my inquiry of the person or persons who manage the system,  
or those persons directly responsible for gathering the  
information, the information submitted is to the best of my  
knowledge and belief, true, accurate, and complete. I am aware  
that there are significant penalties for submitting false  
information, including the possibility of fine and imprisonment for  
knowing violations.

Mr. Valdus Adamkus, Regional Administrator  
USEPA, Region 5  
June 6, 1996  
Page 2

If you have any questions, please contact Mr. Steve Lonneman at  
(419) 547-7791.

Sincerely,

CHEMICAL WASTE MANAGEMENT, INC.

*F.G. Nicar*

F.G. Nicar  
General Manager

FGN/tr  
Attachments



HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE


1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine Street, New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to WMX Technologies, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak, Brook, IL 60521 in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1996. The effective date of said policy is April 25, 1996.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
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  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

# HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE


- 1 National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to WMX Technologies, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit # Number</u>	<u>EPA Identification</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OH020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/96. The effective date of said policy is 4/25/96.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
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I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

  
 Joseph E. Sander  
 Assistant Secretary  
 Authorized Representative of  
 National Union Fire Insurance Co. of  
 Pittsburgh, PA  
 70 Pine Street  
 New York, New York 10270

CERTIFICATE ISSUED TO:  
 Regional Administrator  
 USEPA - Region V  
 230 S. Dearborn  
 Chicago, IL 60604

# CHEMICAL WASTE MANAGEMENT, INC.

3956 STATE ROUTE 412 • VICKERY, OHIO 43464 • 419-547-7791 • FAX: 419-547-6144

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED  
P 228 284 847

O: [REDACTED]  
CC: RA/RF LTR. ONLY

R CRA

April 21, 1995

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

RECEIVED

APR 21 1995

USEPA  
REGION V

Dear Regional Administrator:

Attached are copies of our liability insurance required by RCRA. If you have any questions, please contact Mr. Steve Lonneman at 419-547-7791.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,

*F.G. Nicar*

F.G. Nicar  
General Manager

Attachments

cc: Agency Correspondence File

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to WMX Technologies, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit # Number</u>	<u>EPA Identification</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/95. The effective date of said policy is 4/25/95.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
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I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

*[Signature]*  
 Joseph E. Sander  
 Assistant Secretary  
 Authorized Representative of  
 National Union Fire Insurance Co. of  
 Pittsburgh, PA  
 70 Pine Street  
 New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
 USEPA - Region V  
 230 S. Dearborn  
 Chicago, IL 60604

# HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

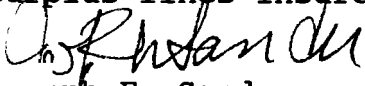
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

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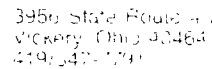
2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Director.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604



Q. 2

 Министерство образования и науки Российской Федерации

# HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to WMX Technologies, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit # Number</u>	<u>EPA Identification</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/94. The effective date of said policy is 4/25/94.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

*Joseph E. Sander*  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

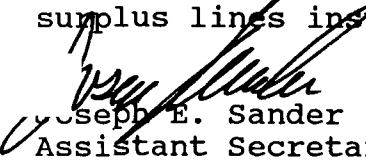
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1994. The effective date of said policy is April 25, 1994.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Director.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604





**Chemical Waste Management, Inc.**

3956 State Route 412  
Vickery, Ohio 43464  
419/547-7791

ENVIRONMENTAL  
PROTECTION AGENCY  
'93 MAY -4 P3:12  
DEF  
REGIONAL

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**  
P 856 439 198

April 30, 1993

O: WMD  
CC: RA RF (LO)

Mr. Valdus Adamkus, Administrator  
U.S. Environmental Protection Agency  
Region V  
77 W. Jackson Blvd.  
Chicago, IL 60604

Re: **Sudden and Non-sudden Accidental  
Liability Insurance For  
Chemical Waste Management, Inc.  
Vickery Facility/OHD020273819**

Dear Mr. Adamkus:

Enclosed are the two Hazardous Waste Facility Certificates of Liability Insurance evidencing the amount of liability coverage required by state and federal regulations.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Should you have any questions regarding this matter, please contact John Butler at (419) 547-7791.

Sincerely,

CHEMICAL WASTE MANAGEMENT, INC.

F.G. Nicar  
General Manager

FGN/JRB/tr  
Enclosure

cc w/enc: Richard Gurske  
Dominic Maruca  
Michael Cannon  
John Butler  
Agency Correspondence

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under rule 3745-55-47 and 3745-66-47 of the Administrative Code. The coverage applies at:

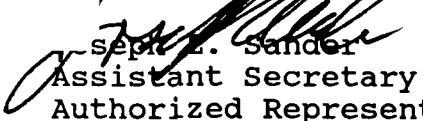
<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/93. The effective date of said policy is 4/25/93.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in paragraph (F) of rule 3745-55-47 or paragraph (F) of rule 3745-66-47 of the Administrative Code.
  - (c) Whenever requested by the Director of the Ohio Environmental Protection Agency, the Insurer agrees to furnish to the Director a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, a parent corporation providing insurance coverage for its subsidiary, or by a firm having an insurable interest in and obtaining liability insurance on behalf of the owner or operator of the hazardous waste management facility will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Director.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Director.

I hereby certify that the wording of this instrument is identical to the wording specified in paragraph (J) of 3745-55-51 of the Administrative Code as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

CERTIFICATE ISSUED TO:

  
Sept L. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

Director  
Ohio Environmental Protection Agency  
Div. of Solid and Hazardous Waste Mgmt.  
1800 Watermark Drive  
Columbus, OH 43266-0149  
ATTN: Terri Martin

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

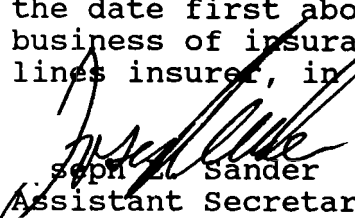
1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine Street, New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak, Brook, IL 60521 in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1993. The effective date of said policy is April 25, 1993.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Director.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
Joseph L. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

## CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604



RECEIVED

April 23, 1992

APR 24 1992

Regional Administrator  
USEPA - Region V  
230 South Dearborn  
Chicago, IL 60604

U. S. EPA REGION 5  
OFFICE OF REGIONAL ADMINISTRATOR

**SUBJECT: HAZARDOUS WASTE FACILITY  
CERTIFICATE OF LIABILITY INSURANCE  
OHIO WASTE SYSTEMS, INC. (EVERGREEN LANDFILL)  
OHIO PERMIT NO. 03-87-0416  
EPA NO. OHDO68111327**

**CHEMICAL WASTE MANAGEMENT, INC.  
SPRINGFIELD, OHIO  
OHIO PERMIT NO. 051-12-0335  
EPA NO. OHDO00724161**

Dear Regional Administrator:

Enclosed are Certificates of Insurance evidencing coverage for sudden and non-sudden accidental occurrences at Ohio Waste Systems and a Certificate of Insurance evidencing coverage for sudden accidental occurrences at Chemical Waste Management's Springfield, Ohio facility.

Please let me know if you have any questions or if you require additional information.

Sincerely,

Leo J. Winstead  
Director, Risk Management Services

LJW/aj

Enclosures

# HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Ohio Waste Systems, Inc. (Evergreen Landfill) 6525 Wales Road Northwood, OH 43619	03-87-0416	OHD068111327

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/92. The effective date of said policy is 4/25/92.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f) paragraph (F) of rule 3745-66-47 of the Administrative Code.
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

*[Signature]*  
 Assistant Secretary  
 Authorized Representative of  
 National Union Fire Insurance Co. of  
 Pittsburgh, PA  
 70 Pine Street  
 New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
 USEPA - Region V  
 230 S. Dearborn  
 Chicago, IL 60604

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

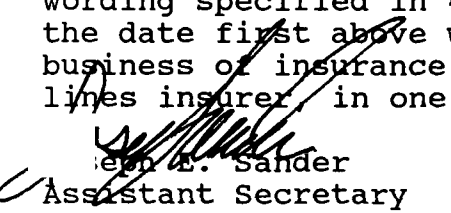
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Ohio Waste Systems, Inc. (Evergreen Landfill) 6525 Wales Road Northwood, OH 43619	03-87-0416	OHD068111327

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1992. The effective date of said policy is April 25, 1992.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
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I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
Jean E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

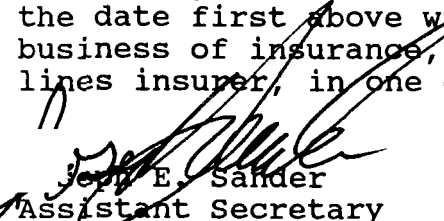
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc. 3106 Snyder-Domer Road Springfield, OH 45502	05-12-0335	OHD000724161

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/92. The effective date of said policy is 4/25/92.

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- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
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Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604



**Chemical Waste Management, Inc.**

3956 State Route 412  
Vickery, Ohio 43464  
419/547-7791

**FEDERAL EXPRESS**

April 23, 1992

Mr. Valdus Adamkus, Administrator  
U.S. Environmental Protection Agency  
Region V  
230 South Dearborn Street  
Chicago, IL 60604

Re: **Sudden and Non-sudden Accidental  
Liability Insurance For  
Chemical Waste Management, Inc.  
Vickery Facility/OHD020273819**

Dear Mr. Adamkus:

Enclosed are the two Hazardous Waste Facility Certificates of Liability Insurance evidencing the amount of liability coverage required by state and federal regulations.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Should you have any questions regarding this matter, please contact Jay Skabo at 419-547-7791.

Sincerely,

CHEMICAL WASTE MANAGEMENT, INC.

F.G. Nicar  
General Manager

FGN/SLC/tr  
Enclosure

cc w/enc: Doug Martin  
Dominic Maruca  
Greig Siedor  
Jay Skabo  
Tom Utermark  
Agency Correspondence

RECEIVED

APR 24 1992

U. S. EPA REGION 5  
OFFICE OF REGIONAL ADMINISTRATOR



HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

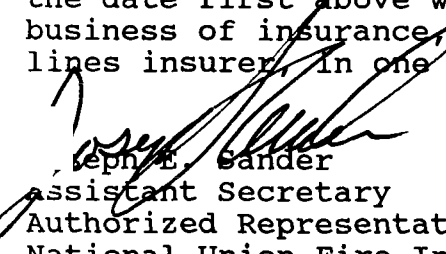
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1992. The effective date of said policy is April 25, 1992.

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  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Director.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

# HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/92. The effective date of said policy is 4/25/92.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
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  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

*[Signature]*  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604



Chemical Waste Management, Inc.

3956 State Route 412  
Vickery, Ohio 43464  
419/547-7791

Part B

O: WMD  
CC: RA RF

REC

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**  
**P 856 438 818**

July 6, 1992

Mr. Valdus Adamkus, Regional Administrator  
United States Environmental Protection Agency  
Region V  
77 West Jackson Boulevard  
Chicago, IL 60604


RE: Unmanifested Waste Report - 40 CFR 761.211

Dear Mr. Adamkus:

On May 21, 1992, CWM Vickery notified USEPA Region V that it had unknowingly received, on April 17, 1992, waste that contained PCBs. On June 2, 1992, CWM submitted a chronology and supporting documents related to this PCB waste.

This waste was manifested to the Vickery facility on EPA Form 8700-22, but it was not manifested as a PCB waste. 40 CFR 761.211 refers to shipments not sent on EPA Form 8700-22. However, CWM is submitting this report to ensure all appropriate information is provided.

- 1) The EPA identification number, name and address of the facility receiving the PCB waste are:

  
Chemical Waste Management, Inc.  
3956 State Route 412  
Vickery, Ohio 43464

- 2) The date the waste was received at the facility was April 17, 1992. The date the facility determined the waste contained PCBs was May 21, 1992.
- 3) The EPA identification number, name and address of the generator of the waste received at CWM Vickery are:

OHD093945293  
CWM Resource Recovery, Inc.  
4301 Infirmary Road  
West Carrollton, Ohio 45449

Page 2  
Mr. Adamkus  
July 6, 1992

The EPA identification number, name and address of the transporter of the waste received at CWM Vickery are:

ILD099202681  
Chemical Waste Management, Inc.  
Ohio Transportation  
4490 Webster Street  
Dayton, Ohio 45414

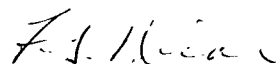
- 4) The waste material received was oil/water separator water to which PCBs had been unknowingly added.
- 5) Although the waste was manifested, it was not identified as PCB waste because the original generator unknowingly added PCBs.
- 6) The waste water was processed through the Vickery facility. The facility believes that the PCB material was removed from the water phase by the filtering systems on site. The filter residues will be disposed of as TSCA waste.

A notation was made on the original manifest indicating the waste was determined to contain PCBs.

If you have any questions, please contact Steve Lonneman at (419) 547-7791.

Sincerely yours,

CHEMICAL WASTE MANAGEMENT, INC.



F.G. Nicar  
General Manager

FGN/SCL/tr

cc: Tony Martig, USEPA Region V  
Tom Buchan, Ohio EPA  
Steve Lonneman, CWM  
Jay Skabo, CWM  
Agency Correspondence File



Chemical Waste Management, Inc.  
300 North Dearborn  
Oak Brook, Illinois 60110

O: WMD -  
CC: RF  
C.M. 976680668

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

April 24, 1989

Regional Administrator  
U.S. Environmental Protection Agency  
Region V  
Hazardous Waste Branch  
230 S. Dearborn  
Chicago, Illinois 60604

RE: Sudden, Accidental Liability Insurance for CWM Resource  
Recovery, Inc./OHD093945293 and Chemical Waste Management,  
Inc./OHD000724161

Sudden and Non-Sudden Accidental Liability Insurance for  
Chemical Waste Management, Inc. -- Vickery/OHD020273819

Dear Sir:

On behalf of the above referenced facilities, I am submitting the  
necessary documentation evidencing the amount of liability coverage  
required by state regulations.

If you have questions or if I can be of assistance, please call me  
at (312)218-1652.

Sincerely,

Sheri K. Swibel  
Assistant to General Counsel

SKS:kg  
Enclosure

cc: Steve Becker  
Dana Lockwood  
Scott Maris

RECEIVED  
APR 25 1989  
U. S. EPA REGION 5  
OFFICE OF REGIONAL ADMINISTRATOR

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

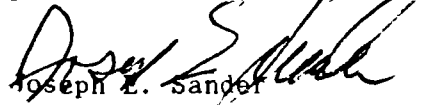
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc. 3106 Snyder-Domer Road Springfield, OH 45502	05-12-0335	OHD000724161

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9210461, issued on 4/25/89. The effective date of said policy is 4/25/89.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
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I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

  
Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

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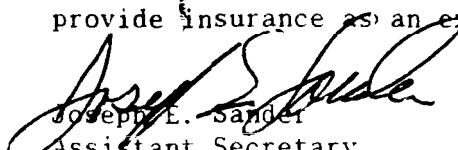
<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
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CWM Resource Recovery, Inc. 4301 West Infirmary Rd. West Carrollton, OH 43449	05-57-0056	OH0093945293
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Assistant Secretary  
Authorized Representative of  
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70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

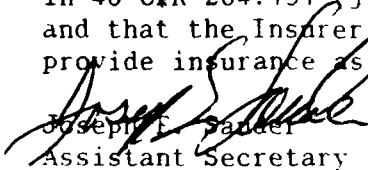
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHDO20273819

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Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604



HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

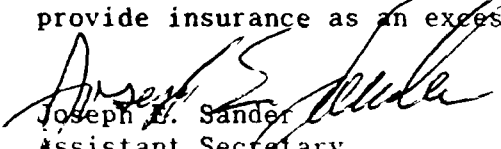
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc. - Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9210461 issued on April 25, 1989. The effective date of said policy is April 25, 1989.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
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Joseph E. Sander  
Assistant Secretary  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604



Waste Management, Inc.  
3953 Butterfield Road • Oak Brook, Illinois 60521

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

April 22, 1988

Director  
Ohio Environmental Protection Agency  
Division of Solid & Hazardous  
Waste Management  
1800 Watermark Drive  
Columbus, Ohio 43266-0149

Attn: Jennifer Kwasniewski

RE: Sudden and Non-Sudden Accidental Liability Coverage for  
Ohio Waste Systems, Inc./OHD068111327

Sudden and Non-Sudden Accidental Liability Coverage for  
Chemical Waste Management, Inc./OHD020273819

Sudden Accidental Liability Coverage for Chemical Waste  
Management, Inc./OHD000724161

Sudden Accidental Liability Coverage for Solvent Resource  
Recovery, Inc./OHD093945293

Dear Sir or Madam:

On behalf of the above referenced facilities, I am submitting  
the necessary documentation evidencing the amount of liability  
coverage required by state regulations.

If you have questions or if I can be of assistance, please call  
me at (312)218-1652.

Sincerely,

*Sheri K. Swibel*  
Sheri K. Swibel

SKS:kg  
Enclosure

cc: USEPA-Region V

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

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Name, AddressOhio Permit #EPA Identification Number

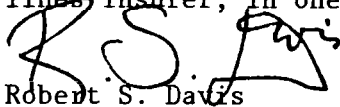
Chemical Waste Management, Inc.- 03-72-0191  
 Vickery  
 3956 State Route 412  
 Vickery, OH 43464

OHD020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9310984, issued on 4/25/88. The effective date of said policy is 4/25/88.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
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 Robert S. Davis  
 Vice President  
 Authorized Representative of  
 National Union Fire Insurance Co. of  
 Pittsburgh, PA  
 70 Pine Street  
 New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
 USEPA - Region V  
 230 S. Dearborn  
 Chicago, IL 60604

## HAZARDOUS WA FACILITY CERTIFICATE OF LIABILITY INSURANCE

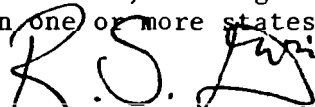
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Chemical Waste Management, Inc.- 03-72-0191 Vickery 3956 State Route 412 Vickery, OH 43464		OHD020273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9310984 issued on April 25, 1988. The effective date of said policy is April 25, 1988.

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Robert S. Davis  
Vice President  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

## CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

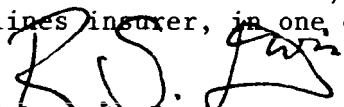
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Authorized Representative of  
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Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

## CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
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Chicago, IL 60604

HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

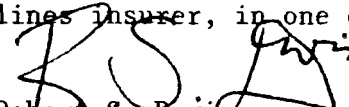
1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Ohio Waste Systems, Inc. (Evergreen Landfill) 6525 Wales Road Northwood, OH 43619	03-87-0416	OHD068111327

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9310984, issued on 4/25/88. The effective date of said policy is 4/25/88.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
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  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator of the EPA Region in which the facility is located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j), as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

  
Robert S. Davis  
Vice President  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

CERTIFICATE ISSUED TO:

Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604

# HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

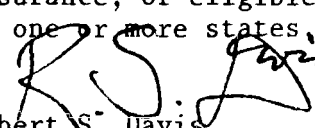
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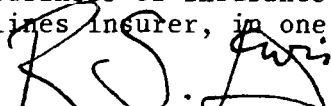
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Solvent Resource Recovery, Inc. 4301 West Infirmary Rd. West Carrollton, OH 43449	05-57-0056	OHD093945293

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New York, New York 10270

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Regional Administrator  
USEPA - Region V  
230 S. Dearborn  
Chicago, IL 60604





State of Ohio Environmental Protection Agency

O. Box 1049, 361 E. Broad Street  
Columbus, Ohio 43266-1049  
(614) 466-8565

Richard F. Celeste  
Governor

April 30, 1987

*Liability Insurance*  
Re: Chemical Waste Management Vickery  
OHD020273819/03-72-0191  
OHD000724161/05-12-0335  
Ohio Waste Systems  
OHD068111327/03-87-0416  
Solvent Resource Recovery  
OHD093945293/05-57-0056

Sheri K. Swibel  
Assistant to General Counsel  
Chemical Waste Management, Inc.  
3003 Butlerfield Road  
Oak Brook IL 60521

Dear Ms. Swibel

I have received Certificates of liability insurance for the four facilities referenced above issued by National Union Fire Insurance Company. These certificates demonstrated liability coverage for sudden accidental occurrences in the amounts of \$1,000,000 per occurrence and \$2,000,000 per annual aggregate for all four facilities and liability coverage for non-sudden accidental occurrences for Chemical Waste Management (Vickery) and Ohio Waste Systems in the amounts of \$3,000,000 per occurrence and \$6,000,000 per annual aggregate.

My review of these documents reveal that they are acceptable evidence of compliance with Ohio Administrative Code section 3745-66-47 which requires liability coverage of hazardous waste treatment, storage or disposal facilities.

If you have any questions, please contact me at (614)462-8941.

Sincerely,

David Mentzer  
S&E Section, DSHWM

DM/drr

1008S(19)

cc: Mike Savage, CO  
Chuck Hull, NWDO  
Don Marshall, SWDO  
RF



**Chemical Waste Management, Inc.**

3003 Butterfield Road  
Oak Brook, Illinois 60521  
312/218-1500

*OH ENF. PROG.*

**RECEIVED**

APR 24 1987

SOLID WASTE BRANCH  
U.S. EPA. REGION V

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

April 20, 1987

Director  
Ohio Environmental Protection Agency  
Division of Solid & Hazardous Waste Management  
361 East Broad  
Columbus, Ohio 43215

RE: Sudden and Non-Sudden Accidental Liability Coverage for  
Ohio Waste Systems, Inc./OHD068111327

Sudden and Non-Sudden Accidental Liability Coverage for  
Chemical Waste Management, Inc./OHD020273819

Sudden Accidental Liability Coverage for Chemical Waste  
Management, Inc./OHD000724161

Sudden Accidental Liability Coverage for Solvent Resource  
Recovery, Inc./OHD093945293

Dear Sir or Madam:

On behalf of the above referenced facilities, I am submitting  
the necessary documentation evidencing the amount of liability  
coverage required by state regulations.

If you have questions or if I can be of assistance, please  
call me at (312)218-1652.

Sincerely,

*Sheri K. Swibel*

Sheri K. Swibel  
Assistant to General Counsel

SKS:kg  
Enclosure

cc: USEPA-Region V

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE

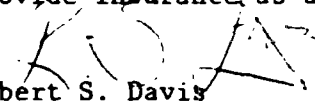
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<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Ohio Waste Systems, Inc. (Evergreen Landfill) 6525 Wales Road Northwood, OH 43619	03-87-0416	OHD068111327

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I hereby certify that the wording of this instrument is identical to the wording specified in paragraph (J) of 3745-55-51 of the Administrative Code as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance, as an excess or surplus lines insurer, in one or more States.

  
Robert S. Davis  
Vice President  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

## CERTIFICATE ISSUED TO:

Director  
Ohio Environmental Protection Agency  
361 East Broad  
Columbus, OH 43215

## HAZARDOUS WASTE FACILITY CERTIFICATE OF LIABILITY INSURANCE


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Name, AddressOhio Permit #EPA Identification Number

Chemical Waste Management, Inc.- 03-72-0191

OHD020273819

Vickery

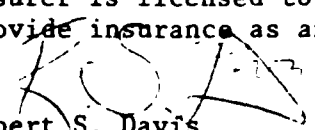
3956 State Route 412

Vickery, OH 43464

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Chemical Waste Management, Inc.- Vickery 3956 State Route 412 Vickery, OH 43464	03-72-0191	OHD020273819

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Chemical Waste Management, Inc. 3106 Snyder-Domer Road Springfield, OH 45502	05-12-0335	OHD000724161

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Director  
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 361 East Broad  
 Columbus, OH 43215





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

FEB 14 1986

OFFICE OF  
SOLID WASTE AND EMERGENCY RESPONSE

MEMORANDUM

SUBJECT: Facilities Without Liability Insurance and  
the Loss of Interim Status Provision

FROM: Gene A. Lucero, Director  
Office of Waste Programs Enforcement

TO: Hazardous Waste Management Division Directors  
Regions 1 - X

This memo addresses land disposal facilities that have no liability insurance and (1) may have continued to introduce hazardous waste into land disposal units after November 8, 1985, and/or (2) certified falsely that they are in compliance with all RCRA requirements. Enforcement of the RCRA loss of interim status provision (LOIS) is a high priority for the RCRA program. It is imperative that we ensure that any facility that is operating in violation of the law is identified and that appropriate enforcement action is taken. A facility that has lost interim status, even if it lost interim status solely because it could not meet the liability insurance requirement, cannot be allowed to continue operating. A facility that certified falsely with any requirement must be prosecuted.

Attached is a list of facilities that should be examined, if you have not already done so, to determine whether enforcement actions are necessary. This list identifies land disposal facilities suspected of lacking insurance and indicates loss of interim status certification status, as is explained in the attachment. For each facility on the attached list please determine whether it was in compliance with liability insurance requirements on the certification date, or on November 8, 1985, or the most easily ascertainable date, if the facility did not certify.

In addition, facilities on the attached list that did not file any form of certification should be considered as candidates for targeted inspections of facilities that may have operated after losing interim status. Facilities listed as having filed a complete certification should be evaluated regarding the adequacy of their liability insurance and, if inadequate, should be pursued

Explanation for attached printout: LIST OF LIABILITY INSURANCE  
CLAIMANTS

Information about the facilities on this list came from the following sources:

- ° a survey of commercial facilities and their liability status that was done last fall;
- ° information from regional personnel;
- ° facilities that were surveyed during the summer and found to be out of compliance with the insurance requirement;
- ° firms that wrote to their Congressmen complaining that they could not obtain liability insurance (Letters);
- ° firms from our summer survey that were surveyed by Mr. Bill Roberts of Congressional staff; and
- ° those that certified on November 8, 1985, with all requirements but liability insurance, whether or not they submitted a Part B permit application (Press Release).

Facility list: If a facility does not have a full ID number, it means that they are not listed in the HWDMS system, but could be a non-notifier, or not subject to RCRA.

LOIS Code:

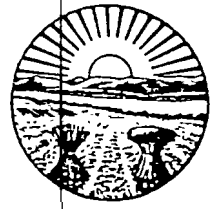
- CO - those who certified that they were in compliance with all requirements (ground-water monitoring and financial responsibility)
- LI - those who said that they were in compliance with all requirements except liability insurance
- OC - certifications that the region found "conditionally" acceptable

Number of Sources: This may be ignored.



State Of Ohio Environmental Protection Agency

P.O. Box 1049, 361 East Broad St., Columbus, Ohio 43266-0149  
(614) 466-8565



Richard F. Celeste, Governor

Re: Chemical Waste Management  
OHD068111327  
OHD000724161  
OHD093945293  
OHD020273819

Sheri K. Swibel  
Chemical Waste Management, Inc.  
3003 Butterfield Road  
Oak Brook, Illinois 60521

December 2, 1985

Dear Ms. Swibel:

I have received notice of cancellation of American Motorists Insurance Company policy number 3YM445335-01. This cancellation is effective January 1, 1986.

In order for Chemical Waste Management to remain in compliance with Ohio's financial responsibility rules for hazardous waste facilities, this sudden, accidental coverage must be replaced before the expiration of the current policy.

Please submit evidence of replacement insurance to my attention by December 31, 1985.

If you have questions, please contact me at (614) 462-8943.

Sincerely,

Deborah L. Tegtmeyer  
Surveillance & Enforcement Section  
Division of Solid & Hazardous Waste Management

DLT/maf

cc: ~~Kevin O'Grady, DSHWM~~  
Ben Chambers, NWDO  
Don Marshall, SWDO  
Walter Heald, Chemical Waste Management  
Robert Kohnen, Chemical Waste Management  
John Barbush, Evergreen Landfill

**New  
England  
Insurance  
Company**



60 BATTERYMARCH STREET  
BOSTON MA 02110  
617-367-8100  
TELEX 94 0013 COLBYCO

SUITE 905  
100 SOUTH WACKER DRIVE  
CHICAGO IL 60606  
312-782-5921  
TELEX 25 6714 COLBYCO

SUITE 1246  
3340 PEACHTREE ROAD NE  
ATLANTA GA 30306  
404-266-1480  
TELEX 70 0524 COLBYCO

SUITE 2701  
88 PINE STREET  
NEW YORK NY 10005  
212-363-8660  
TELEX 12 7398 COLBYCO NYK

SUITE 1700  
3333 WILSHIRE BOULEVARD  
LOS ANGELES CA 90010  
213-739-0100  
TELEX 69 1395 COLBYCO USA

SUITE 1100  
201 CALIFORNIA STREET  
SAN FRANCISCO CA 94111  
415-398-1500  
TELEX 33 0422 COLBYCO SFO

January 30, 1985  
Chicago

RECEIVED

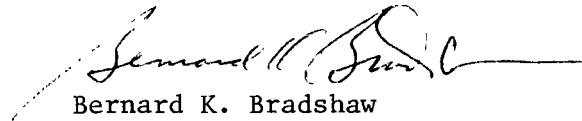
WASTE MANAGEMENT  
BRANCH

Re: Chemical Waste Management, Inc.  
(Ohio Liquid Disposal)  
EPA Identification Number-  
OHD02073819

To Whom It May Concern:

Please be advised that this contract with New England Insurance Company Policy No. 688321 expires on January 1, 1985 and coverage for sudden and accidental pollution has not been renewed. Policy No. 688321 was a renewal of 685396 issued by First State Underwriters Agency of New England Reinsurance Corporation. It is understood that this notice has been delayed and you require 30 days from your receipt of this letter for it to take place. However, we have been advised that a replacement carrier has been at risk since January 1, 1985.

Sincerely,

  
Bernard K. Bradshaw  
Vice President

BKB/dj

RECEIVED  
FEB 01 1985

U.S. EPA, REGION V  
WASTE MANAGEMENT DIVISION  
OFFICE OF THE DIRECTOR

**New  
England  
Insurance  
Company**



60 BATTERY MARCH STREET  
BOSTON, MA 02110  
617 367-8400  
TELEX 94 0013 COLBYCO

SUITE 900  
100 SOUTH WACKER DRIVE  
CHICAGO, IL 60604  
312 782-5921  
TELEX 25 0214 COLBYCO

SUITE 1240  
3340 PEACHTREE ROAD, N.E.  
ATLANTA, GA 30350  
404 266-1480  
TELEX 77 0024 COLBYCO

SUITE 2700  
88 FINE STREET  
NEW YORK, NY 10028  
212 263-8550  
TELEX 12 7398 COLBYCO NYK

SUITE 1000  
3333 WILSHIRE BOULEVARD  
LOS ANGELES, CA 90010  
213 739-0330  
TELEX 60 1396 COLBYCO LSA

SUITE 1100  
201 CALIFORNIA STREET  
SAN FRANCISCO, CA 94111  
415 397-1000  
TELEX 3 0437 COLBYCO SFO

January 30, 1985  
Chicago


EPA Region V  
230 S. Dearborn  
Chicago, IL 60604

Re: Chemical Waste Management, Inc. d/b/a  
Trade Waste Incineration  
EPA Identification Number-  
ILD095642424

To Whom It May Concern:

Please be advised that this contract with New England Insurance Company Policy No. 688321 expires on January 1, 1985 and coverage for sudden and accidental pollution has not been renewed. Policy No. 688321 was a renewal of 685396 issued by First State Underwriters Agency of New England Reinsurance Corporation. It is understood that this notice has been delayed and you require 30 days from your receipt of this letter for it to take place. However, we have been advised that a replacement carrier has been at risk since January 1, 1985.

Sincerely,

  
Bernard K. Bradshaw  
Vice President

BKB/dj

**New  
England  
Insurance  
Company**



60 BATTERY MARCH STREET  
BOSTON, MA 02110  
617 557-8100  
TELEX 94 001 COLBYCO

SUITE 908  
100 SOUTH WACKER DRIVE  
CHICAGO, IL 60606  
312 782-5921  
TELEX 25 6214 COLBYCO

SUITE 1246  
3340 PEACHTREE ROAD, N.E.  
ATLANTA, GA 30326  
404 266-1480  
TELEX 70 0524 COLBYCO

SUITE 2700  
88 PINE STREET  
NEW YORK, NY 10005  
212 363-8550  
TELEX 12 7398 COLBYCO NYK

SUITE 1005  
3333 WILSHIRE BOULEVARD  
LOS ANGELES, CA 90010  
213 739-0330  
TELEX 69 1395 COLBYCO LSA

SUITE 1100  
701 CALIFORNIA STREET  
SAN FRANCISCO, CA 94111  
415 397-1100  
TELEX 33 0432 COLBYCO SFO

January 30, 1985  
Chicago

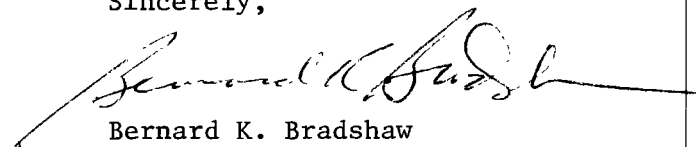
EPA Region V  
230 S. Dearborn  
Chicago, IL 60604

Re: Woodland Meadows Landfill - South  
Van Born & Lotz Rd. Wayne, MI 48184  
EPA Identification Number-  
MIT270012263

To Whom It May Concern:

Please be advised that this contract with New England Insurance Company Policy No. 688321 expires on January 1, 1985 and coverage for sudden and accidental pollution has not been renewed. Policy No. 688321 was a renewal of 685396 issued by First State Underwriters Agency of New England Reinsurance Corporation. It is understood that this notice has been delayed and you require 30 days from your receipt of this letter for it to take place. However, we have been advised that a replacement carrier has been at risk since January 1, 1985.

Sincerely,

  
Bernard K. Bradshaw  
Vice President

BKB/dj

## Certificate of Insurance



THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER.  
THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES LISTED BELOW.

NAME AND ADDRESS OF AGENCY <b>GREAT LAKES AGENCY INCORPORATED</b> 120 South Riverside Plaza Chicago, Illinois 60606 <i>Boyle</i>	<b>COMPANIES AFFORDING COVERAGES</b>	
	COMPANY LETTER <b>A</b>	INTERNATIONAL INSURANCE COMPANY
	COMPANY LETTER <b>B</b>	PACIFIC INSURANCE COMPANY
	COMPANY LETTER <b>C</b>	EVANSTON INSURANCE COMPANY
	COMPANY LETTER <b>D</b>	
NAME AND ADDRESS OF INSURED <b>CHEMICAL WASTE MANAGEMENT, INC.</b> 3001 Butterfield Road Oak Brook, IL 60521	COMPANY LETTER <b>E</b>	

This is to certify that policies of insurance listed below have been issued to the insured named above and are in force at this time. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	POLICY EXPIRATION DATE	Limits of Liability in Thousands (000)		
					EACH OCCURRENCE	AGGREGATE
	<b>GENERAL LIABILITY</b>			BODILY INJURY	\$	\$
	<input type="checkbox"/> COMPREHENSIVE FORM			PROPERTY DAMAGE	\$	\$
	<input type="checkbox"/> PREMISES—OPERATIONS			BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$	\$
	<input type="checkbox"/> EXPLOSION AND COLLAPSE HAZARD			PERSONAL INJURY		\$
	<input type="checkbox"/> UNDERGROUND HAZARD					
	<input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS HAZARD					
	<input type="checkbox"/> CONTRACTUAL INSURANCE					
	<input type="checkbox"/> BROAD FORM PROPERTY DAMAGE					
	<b>AUTOMOBILE LIABILITY</b>			BODILY INJURY (EACH PERSON)	\$	
	<input type="checkbox"/> COMPREHENSIVE FORM			BODILY INJURY (EACH ACCIDENT)	\$	
	<input type="checkbox"/> OWNED			PROPERTY DAMAGE	\$	
	<input type="checkbox"/> HIRED			BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$	
	<input type="checkbox"/> NON-OWNED					
	<b>EXCESS LIABILITY</b>			BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$	\$
	<input type="checkbox"/> UMBRELLA FORM					
	<b>WORKERS' COMPENSATION and EMPLOYERS' LIABILITY</b>			STATUTORY	\$	(EACH ACCIDENT)
<b>A</b> <b>B</b> <b>C</b>	<b>OTHER ENVIRONMENTAL IMPAIRMENT LIABILITY</b>	560-000223	4-25-84	\$30,000 any one claim 60,000 annual aggregate		

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES

LE-10358

WASTE MANAGEMENT, INC./CHEMICAL WASTE MANAGEMENT, INC.  
DISPOSAL OPERATIONS

**Cancellation:** Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the below named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company.

NAME AND ADDRESS OF CERTIFICATE HOLDER

UNITED STATES OF AMERICA  
OFFICE OF THE REGIONAL COUNSEL  
Region 5  
230 South Dearborn  
Chicago, IL 60606

DATE ISSUED

April 25, 1983

*T.N. Thoelecke*  
AUTHORIZED REPRESENTATIVE

T.N. Thoelecke

# **CERTIFICATE OF INSURANCE**

SET TAB STOPS AT ARROWS  
ISSUE DATE (MM/DD/YY)

12-31-84

PRODUCER

**CORROON & BLACK OF ILLINOIS, INC.**

135 South LaSalle Street

Chicago, Illinois 60603

**Diane Brady (312) 621-4797**

INSURED

**Chemical Waste Management of Oak Brook**  
3001 Butterfield Rd.  
Oak Brook, IL 60521

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

## **COMPANIES AFFORDING COVERAGE**

COMPANY LETTER **A**

**NEW ENGLAND INSURANCE COMPANY**

COMPANY LETTER **B**

COMPANY LETTER **C**

COMPANY LETTER **D**

COMPANY LETTER **E**

## **COVERAGES**

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH POLICIES.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIABILITY LIMITS IN THOUSANDS		
						EACH OCCURRENCE	AGGREGATE
	<b>GENERAL LIABILITY</b>				BODILY INJURY	\$	\$
	<input type="checkbox"/> COMPREHENSIVE FORM				PROPERTY DAMAGE	\$	\$
	<input type="checkbox"/> PREMISES/OPERATIONS				BI & PD COMBINED	\$	\$
	<input type="checkbox"/> UNDERGROUND				PERSONAL INJURY		\$
	<input type="checkbox"/> EXPLOSION & COLLAPSE HAZARD						
	<input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS						
	<input type="checkbox"/> CONTRACTUAL						
	<input type="checkbox"/> INDEPENDENT CONTRACTORS						
	<input type="checkbox"/> BROAD FORM PROPERTY DAMAGE						
	<input type="checkbox"/> PERSONAL INJURY						
	<b>AUTOMOBILE LIABILITY</b>				BODILY INJURY (PER PERSON)	\$	
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (PER ACCIDENT)	\$	
	<input type="checkbox"/> ALL OWNED AUTOS (PRIV PASS)				PROPERTY DAMAGE	\$	
	<input type="checkbox"/> ALL OWNED AUTOS (OTHER THAN PRIV PASS)				BI & PD COMBINED	\$	
	<input type="checkbox"/> HIRED AUTOS						
	<input type="checkbox"/> NON-OWNED AUTOS						
	<input type="checkbox"/> GARAGE LIABILITY						
<b>A</b>	<b>EXCESS LIABILITY</b>	<b>LU000560</b>	<b>12-31-84</b>	<b>12-31-85</b>	BI & PD COMBINED	\$ 5,000	\$ 5,000
	<input checked="" type="checkbox"/> UMBRELLA FORM				STATUTORY		
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				\$	(EACH ACCIDENT)	
	<b>WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY</b>				\$	(DISEASE-POLICY LIMIT)	
					\$	(DISEASE-EACH EMPLOYEE)	
	<b>OTHER</b>						

DESCRIPTION OF OPERATIONS, LOCATION OF PREMISES, TYPES OF WASTES

**COLLECTION AND DISPOSAL OF SOLID WASTES**  
**COLLECTION, TRANSPORTATION, TREATMENT, STORAGE AND DISPOSAL OF LIQUID WASTES**  
**ALL AUTOMOTIVE EQUIPMENT OWNED AND/OR OPERATED BY THE INSURED**

## **CERTIFICATE HOLDER**

Office of the Regional Counsel  
United States of America  
Region 5, 230 South Dearborn  
Chicago, IL 60604

## **CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL **DAYS** WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

*John T. Kelly*





Waste Management, Inc.  
3003 Butterfield Road • Oak Brook, Illinois 60521

041 120273819

040020273819

CERTIFIED, RETURN RECEIPT REQUESTED

July 19, 1983

Mr. Thomas B. Golz  
Environmental Protection Agency  
Region V  
Waste Management Branch  
230 So. Dearborn St.  
Chicago, IL 60604

RECEIVED  
WASTE MANAGEMENT  
BRANCH

Dear Mr. Golz:

Per our conversation this afternoon, enclosed are the following certificates of insurance:

- 1) Certificates with an original signature of sudden, accidental liability coverage for Michigan Waste Systems, Inc. (Woodland Meadows North) EPA I.D. # MID000810408.
- 2) One certificate with an original signature of non-sudden, accidental (EIL) insurance for all Region V facilities which are subject to the Federal financial responsibility requirements.

The limits of liability are \$3 million/\$6 million for each facility on the attached sheets.

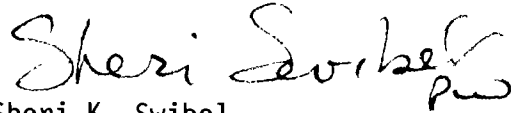
You may note that this year's certificate shows the London Agency as Agent and International Insurance Company as the Insurer. Last year's certificate showed L. W. Biegler, Inc. as Agent and International Surplus Lines as Insurer. Though it would appear that we are using a different Insurer for EIL coverage, this is not the case. The underwriters (both the person writing the policy and the persons assuming the risk) and the reinsurers are the same in 1983 as in 1982; they are continuing their coverage. The only thing that has changed is that a different company within the Crum and Forester insurance group has issued the document specifying coverage.

International Surplus Lines and International Insurance Company are sister companies within the Crum and Forester group. Similarly, American Motorists Insurance Co. and New England Reinsurance Corp. - the companies which provide sudden, accidental liability coverage to Waste Management, Inc. - are companies within the Kemper Insurance group.

- 2 -

I trust this explanation answers questions you might have regarding the change in the EIL certificate. If I can be of further assistance, please call me at 312/654-8800.

Yours truly,

A handwritten signature in cursive script that reads "Sheri Swibel". The signature is written in dark ink and is positioned above the printed name.

Sheri K. Swibel  
Regulatory Affairs Specialist

SKS/pw

Enclosures

APR 27 1983

 **The London Agency, Inc.**

1230 W. Peachtree St., N. W.  
P. O. Box 4985  
Atlanta, Georgia 30302  
(404) 875-9641  
Telex 54-2445  
TWX 810 751-3329

April 22, 1983

**Mike Rogers**  
Vice President

Regional Administrator  
Environmental Protection Agency - Region V  
230 S. Dearborn  
Chicago, IL 60604

Gentlemen:

WASTE MANAGEMENT, INC.  
560-000-223  
INTERNATIONAL INSURANCE COMPANY  
HAZARDOUS WASTE FACILITY CERTIFICATE

This is to advise that this certificate replaces the previously issued certificates on Policy Number GP 56061 issued by International Surplus Lines Insurance Company.

If you have any questions on this, please let me know.

Sincerely,

  
Mike Rogers

MR/pp  
Attachment

CC: Mr. David Jones, Great Lakes Agency, Chicago, IL

ARTHUR ANDERSEN & CO.

33 WEST MONROE STREET  
CHICAGO, ILLINOIS 60603  
(312) 580-0033

March 31, 1983

Mr. Donald F. Flynn  
Senior Vice-President, Chief Financial  
Officer and Treasurer  
Waste Management, Inc.  
3003 Butterfield Road  
Oak Brook, Illinois 60521

Dear Mr. Flynn:

We have examined the consolidated balance sheet of Waste Management, Inc. and Subsidiaries (the "Company"), as of December 31, 1982, and the related statements of income, stockholders' equity and changes in financial position for the year then ended and have expressed an unqualified opinion on those statements in our report dated February 9, 1983 (except with respect to Note 12. as to which the date is March 30, 1983). We have not performed any auditing procedures since that date. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

At your request, we have read your letter dated March 31, 1983 to the Regional Administrators of the Environmental Protection Agency. supporting the Company's use of the financial test to demonstrate financial assurance. as specified in Subpart H of 40 CFR, Parts 264 and 265. As further required by such regulations, we have compared the data specified in your letter as having been derived from the independently audited financial statements referred to above with the corresponding amounts in such financial statements. In connection with this procedure, no matters came to our attention that caused us to believe that the specified data should be adjusted.

This report is furnished solely for the use of the Company and the Company's distribution to the Regional Administrators of the Environmental Protection Agency and is not to be used for any other purpose.

Very truly yours,

*Arthur Andersen & Co.*



**Waste Management, Inc.**  
3003 Butterfield Road • Oak Brook, Illinois 60521

March 31, 1983

Environmental Protection Agency, Region V  
Thomas B. Golz  
Waste Management Branch  
230 South Dearborn St.  
Chicago, IL 60604

Dear Regional Administrator:

Guarantee made this March 31, 1983 by Waste Management, Inc., a business corporation organized under the laws of the State of Delaware, herein referred to as guarantor, to the United States Environmental Protection Agency (EPA), obligee, on behalf of our subsidiary of Chemical Waste Management, Inc., of 3003 Butterfield Road, Oak Brook, Illinois 60521.

RECITALS

1. Guarantor meets or exceeds the financial test criteria and agrees to comply with the reporting requirements for guarantors as specified in 40 CFR 264.143(f), 264.145(f), 265.143(e), and 265.145(e).
2. Chemical Waste Management, Inc. owns or operates the following hazardous waste management facilities covered by this guarantee:

EPA Identification #  
Name  
Address

Guarantee  
For

#AZT050010180  
Chemical Waste Mgmt., Inc.  
2301 N. Broadway Road  
Phoenix, AZ 85005

Closure

#COD000695007  
Chemical Waste Mgmt., Inc.  
(Denver-Arapahoe Chemical  
Waste Processing)  
Aurora, CO 80244

Closure and Post-Closure

#FLD000776708  
Chemical Waste Mgmt., Inc.  
2700 N.W. 48th St.  
Pompano Beach, FL 33067

Closure

#OHD020273819  
Chemical Waste Mgmt., Inc.  
(Ohio Liquid Disposal)  
504 Liberty St.  
Fremont, OH 43420

Closure and Post-Closure

. #OHD000724161 Chemical Waste Mgmt., Inc. 3106 Snyder-Domer Road Springfield, OH 45502	Closure
#ALD980601629 Chemical Waste Mgmt., Inc. P.O. Box 55 Emelle, AL 35459	Closure and Post-Closure
#CAT000624056 Chemical Waste Mgmt., Inc. 4506 Metavich Court Bakersfield, CA 93308	Closure and Post-Closure
#CAT000646117 Chemical Waste Mgmt., Inc. (Kettleman Hills) 35250 Old Skyline Road Kettleman City, CA 93239	Closure and Post-Closure
. #ILD074411745 Chemical Waste Mgmt., Inc. (E.S.L., Inc.) Rt. 1, Box 109, Laraway Road Elwood, IL 60421	Closure and Post-Closure
. #ILD010284248 Chemical Waste Mgmt., Inc. (C.I.D. Chemical Waste Mgmt.) 138th & Calumet Expwy. Calumet City, IL 60409	Closure and Post-Closure
#TXD000761254 Chemical Waste Mgmt., Inc. 6901 Greenwood Road Corpus Christi, TX 78417	Closure and Post-Closure
#TXD000761262 Chemical Waste Mgmt., Inc. P.O. Box 2563 Port Arthur, TX 77640	Closure and Post-Closure
#LAD000777201 Chemical Waste Mgmt., Inc. John Brannon Road Carlyss, LA 70663	Closure and Post-Closure


3. "Closure plans" and "post-closure plans" as used below refer to the plans maintained as required by Subpart G of 40 CFR Parts 264 and 265 for the closure and post-closure care of facilities as identified above.
4. For value received from Chemical Waste Management, Inc., guarantor guarantees to EPA that in the event that Chemical Waste Management, Inc. fails to perform "closure and post-closure care" of the above facilities in accordance with the closure or post-closure plans and other permit or interim status requirements whenever required to do so, the guarantor shall do so or establish a trust fund as specified in Subpart H of 40 CFR Parts 264 or 265, as applicable, in the name of Chemical Waste Management, Inc. in the amount of the current closure or post-closure cost estimates as specified in Subpart H of 40 CFR Parts 264 and 265.
5. Guarantor agrees that if, at the end of any fiscal year before termination of this guarantee, the guarantor fails to meet the financial test criteria, guarantor shall send within 90 days, by certified mail, notice to the EPA Regional Administrators for the Regions in which the facilities are located and to Chemical Waste Management, Inc. that he intends to provide alternate financial assurance as specified in Subpart H of 40 CFR Parts 264 and 265, as applicable, in the name of Chemical Waste Management, Inc. Within 120 days after the end of such fiscal year, the guarantor shall establish such financial assurance unless Chemical Waste Management, Inc. has done so.
6. The guarantor agrees to notify the EPA Regional Administrator by certified mail, of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code, naming guarantor as debtor, within 10 days after commencement of the proceeding.
7. Guarantor agrees that within 30 days after being notified by an EPA Regional Administrator of a determination that guarantor no longer meets the financial test criteria or that he is disallowed from continuing as a guarantor of closure or post-closure care, he shall establish alternate financial assurance as specified in Subpart H of 40 CFR Parts 264 or 265, as applicable, in the name of Chemical Waste Management, Inc. unless Chemical Waste Management, Inc. has done so.
8. Guarantor agrees to remain bound under this guarantee notwithstanding any or all of the following: amendment or modification of the closure or post-closure plan, amendment or modification of the permit, the extension or reduction of the time of performance of closure or post-closure, or any other modification or alteration of an obligation of the owner or operator pursuant to 40 CFR Parts 264 or 265.

9. Guarantor agrees to remain bound under this guarantee for so long as Chemical Waste Management, Inc. must comply with the applicable financial assurance requirements of Subpart H of 40 CFR Parts 264 and 265 for the above-listed facilities, except that guarantor may cancel this guarantee by sending notice by certified mail to the EPA Regional Administrators for the Regions in which the facilities are located and to Chemical Waste Management, Inc., such cancellation to become effective no earlier than 120 days after receipt of such notice by both EPA and Chemical Waste Management, Inc., as evidenced by the return receipts.
10. Guarantor agrees that if Chemical Waste Management, Inc. fails to provide alternate financial assurance as specified in Subpart H of 40 CFR Parts 264 or 265, as applicable, and obtain written approval of such assurance from the EPA Regional Administrators within 90 days after a notice of cancellation by the guarantor is received by an EPA Regional Administrator from guarantor, guarantor shall provide such alternate financial assurance in the name of Chemical Waste Management, Inc.
11. Guarantor expressly waives notice of acceptance of this guarantee by the EPA or by Chemical Waste Management, Inc.. Guarantor also expressly waives notice of amendments or modifications of the closure and/or post-closure plan and of amendments or modifications of the facility permits.

I hereby certify that the wording of this guarantee is identical to the wording specified in 40 CFR 264.151(h) as such regulations were constituted on the date first above written.

Effective Date: March 31, 1983

WASTE MANAGEMENT, INC.

  
Donald F. Flynn  
Senior Vice President/Chief  
Financial Officer/Treasurer

Subscribed and sworn to before me Donald F. Flynn, this  
31 day of March, 1983.

  
Notary Public

My commission expires: 2-20-87





Waste Management, Inc.  
3003 Butterfield Road • Oak Brook, Illinois 60521

March 31, 1983

Environmental Protection Agency, Region V  
Thomas B. Golz  
Waste Management Branch  
230 South Dearborn Street  
Chicago, IL 60604

Dear Regional Administrator:

I am the chief financial officer of Waste Management, Inc., 3003 Butterfield Road, Oak Brook, Illinois, 60521. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265.

1. This firm is the owner or operator of the following facilities for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by the test are shown for each facility: NONE
2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, the closure or post-closure care of the following facilities owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

EPA Identification # Name Address	Current Closure Estimate	Current Post-Closure Estimate
#AZT050010180 Chemical Waste Mgmt, Inc. 2301 W. Broadway Road Phoenix, AZ 85005	\$78,000	\$ Not Applicable
#COD000695007 Chemical Waste Mgmt, Inc. (Denver-Arapahoe Chem.Waste Processing) Aurora, CO 80044	437,000	406,200

Environmental Protection Agency  
March 31, 1983

Page 2

#FLD000776708 Chemical Waste Management, Inc. 2700 N.W. 48th St. Pompano Beach, FL 33067	\$22,400	\$ Not Applicable
2 #OHD020273819 <i>OK NC ✓</i> Chemical Waste Mgmt., Inc. (Ohio Liquid Disposal) 504 Liberty Street Fremont, OH 43420	4,904,800	918,000
#OHD000724161 <i>OK NC ✓</i> Chemical Waste Mgmt., Inc. 3106 Snyder-Domer Road Springfield, OH 45502	63,600	Not Applicable
#ALD980601629 Chemical Waste Mgmt., Inc. P.O. Box 55 Emelle, AL 35459	2,735,600	3,703,400
#CAT00624056 Chemical Waste Mgmt., Inc. 4506 McTavich Court Bakersfield, CA 93308	426,000	507,200
#CAT000646117 Chemical Waste Mgmt., Inc. (Kettleman Hills) 35250 Old Skyline Road Kettleman City, CA 93239	966,100	553,500
#ILD074411745 <i>OK NC ✓</i> Chemical Waste Mgmt., Inc. (E.S.L. Inc.) Rt 1, Box 109, Laraway Rd. Elwood, IL 60421	88,200	1,056,000
#ILD010284248 <i>OK NC ✓</i> Chemical Waste Mgmt., Inc. (C.I.D. Chem. Waste Mgmt.) 138th & Calumet Expwy. Calumet City, IL 60409	655,000	8,407,900
#TXD000761254 Chemical Waste Mgmt., Inc. 6901 Greenwood Road Corpus Christi, TX 78417	827,800	810,900

#TXD000761262 Chemical Waste Mgmt., Inc. P.O. Box 2563 Port Arthur, TX 77640	\$656,100	\$7,059,600
#LAD000777201 Chemical Waste Mgmt., Inc. John Brannon Road Carlyss, LA 70663	455,000	1,558,200
#MID000810408 <i>ok p</i> ✓ Michigan Waste Systems, Inc. ✓ (Woodland Meadows Landfill North) 4620 Hannan Road Wayne, MI 48184	514,500	527,700
#OHD068111327 <i>ok p</i> ✓ Ohio Waste Systems, Inc. (Evergreen Landfill) ✓ 6525 Wales Road Northwood, OH 43619	242,600	527,700
Subtotal	<u>\$13,072,700</u>	<u>26,036,300</u>
GRAND TOTAL		<u>\$39,109,000</u>

3. In states where EPA is not administering the financial requirements of Subpart H of 40 CFR Parts 264 or 265, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility:

EPA Identification # Name Address	Current Closure Estimate	Current Post-Closure Estimate
#IND000708446 <i>ok</i> ✓ Indiana Waste Systems, Inc. ✓ (Wheeler Landfill) State Rd 130 & Jones Rd Wheeler, IN 46393	\$142,800	\$4,922,600

N/L PART A	#WID003967148		
	Waste Management of Wisconsin, Inc. Controlled Waste Division W 124 N 9451 Boundary Road Menomonee Falls, WI 53051	\$82,200	\$ Not Applicable
	#WID098547854 OK NC ✓		
	Waste Management of Wisconsin, Inc. Metro Landfill ✓ 10712 S. 124th Street Franklin, WI 53132	673,700	8,143,000
	#WID003967148 OK NC ✓		
	Waste Management of Wisconsin, Inc. Omega Hills-North N 96 W 12730 County Line Road Germantown, WI 53022	3,230,100	2,262,600
IN PART A LISTING	→ MENOMONEE FALLS		
	Subtotal	<u>\$4,128,800</u>	<u>15,328,200</u>
	GRAND TOTAL		<u>\$19,457,000</u>

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated either to EPA or a state through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent state mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurances are shown for each facility: NONE

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

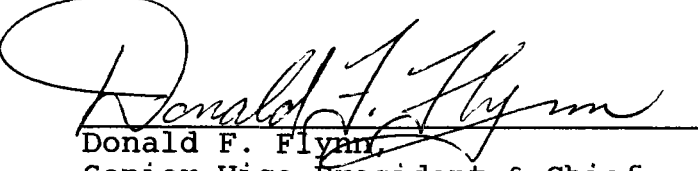
The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended December 31, 1982.

Alternative II

1. Sum of current closure and post-closure cost estimates ..... \$58,566,000

2. Current bond rating of most recent  
issuance of this firm ..... Standard Poor's AA-  
and name of rating service..... Moody's A1
3. Date of issuance of bond ..... 12-1-1982
4. Date of maturity of bond ..... 12-1-2002
- \*5. Tangible net worth of ..... \$547,698,000
- \*6. Total assets in U.S. .... \$963,178,000
7. Is line 5 at least \$10 million ?..... Yes
8. Is line 5 at least 6 times line 1?..... Yes
- \*9. Are at least 90% of firm's assets  
located in the U.S.? ..... No
10. Is line 6 at least 6 times line 1?..... Yes

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f) as such regulations were constituted on the date shown immediately below.

  
Donald F. Flynn  
Senior Vice President & Chief  
Financial Officer & Treasurer

March 31, 1983

Enclosures: Arthur Andersen & Co. Special Report dated March 31, 1983  
Waste Management, Inc. Corporate Guarantee letter for  
Chemical Waste Management, Inc. dated March 31, 1983  
Waste Management, Inc. Corporate Guarantee letter for  
Michigan Waste Systems, Inc. dated March 31, 1983  
Waste Management, Inc. Corporate Guarantee letter for  
Ohio Waste Systems, Inc. dated March 31, 1983  
Waste Management, Inc. Annual Report 1982

04D 020 273 819



Waste Management, Inc.  
3003 Butterfield Road • Oak Brook, Illinois 60521

November 4, 1982

Environmental Protection Agency  
Regional Office V  
Waste Management Branch  
230 S. Dearborn St.  
Chicago, IL 60604

ATTN: Thomas B. Oolz, Regional Administrator

Re: Hazardous Waste Facility Certificate of  
Pollution Liability Insurance

Enclosed please find Certificates of Insurance evidencing a  
Hazardous Waste Pollution Liability limit of \$1 million per  
occurrence and a \$2 million aggregate on behalf of the  
following Waste Management locations:

Woodland Meadows Landfill - North  
Wayne, Michigan  
EPA - ID Number MID000810408

VALID ~~IN~~ NOT IN LOG

Woodland Meadows Landfill - South  
Wayne, Michigan  
EPA - ID Number MIT270012263 .

Chemical Waste Management, Inc.  
Springfield, Ohio  
EPA - ID Number OHD000724161 .

Chemical Waste Management  
Fremont, Ohio  
EPA - ID Number OHD02073819 .

Evergreen Landfill  
Northwood, Ohio  
EPA - ID Number OND068111327 ~

These Certificates of Insurance are submitted in compliance  
with Subpart H of 40CFR Part 264.147.

Very truly yours,

*Jane Versell*

Jane M. Versell  
Corporate Insurance Administrator

JV/rc  
Enclosures

Hazardous Waste Facility Certificate of  
Pollution Liability Insurance

1. American Motorists Insurance Company, (the "Insurer") , of 20 North Wacker Drive, Chicago, Illinois 60606 hereby certifies that it has issued pollution liability insurance covering bodily injury and property damage to Waste Management, Inc., (the "Insured") , of 3003 Butterfield Rd., Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

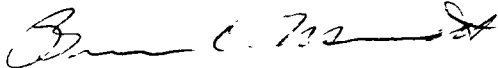
<u>Name, Address</u>	<u>EPA Identification Number</u>
Chemical Waste Management (Ohio Liquid Disposal) 504 Liberty Street Fremont, Ohio 43420	OHD02073819

for sudden accidental occurrences. The limits of liability are \$500,000 each occurrence and \$500,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number 2YM 445 335, issued on 1-1-82.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the Insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

(e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151 (j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.



Bruce C. Minott  
Division Special Risks Officer  
Authorized Representative of  
American Motorists Insurance Company  
20 North Wacker Drive  
Chicago, Illinois 60606

DL:dd2401G



Hazardous Waste Facility Certificate of  
Pollution Liability Insurance

1. New England Reinsurance Corporation, (the "Insurer"), of 100 South Wacker Drive, Chicago, Illinois 60606 hereby certifies that it has issued pollution liability insurance covering bodily injury and property damage to Waste Management, Inc., (the "insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at:

Name, Address

Chemical Waste Management  
(Ohio Liquid Disposal)  
504 Liberty Street  
Fremont, Ohio 43420

EPA Identification Number

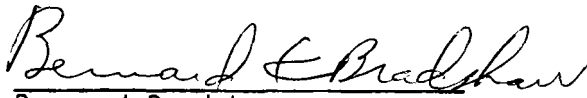
OHD02073819

for sudden accidental occurrences. The limits of liability are \$500,000 excess \$500,000 each occurrence and \$1,500,000 excess \$500,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number 685379 issued on 10-1-81.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
  - (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified on 40 CFR 264.147(f) or 265.147(f).
  - (c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA) the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the Insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

(e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrators of the EPA Regions in which the facilities are located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

  
Bernard Bradshaw  
Cameron & Colby  
100 South Wacker Drive  
Chicago, Illinois 60606



Waste Management, Inc.  
3003 Butterfield Road • Oak Brook, Illinois 60521

*No corrections  
needed on computer  
Sheet 7  
CP*

July 8, 1982

Environmental Protection Agency, Region V  
Mr. Thomas B. Golz  
Waste Management Branch  
230 South Dearborn Street  
Chicago, Illinois 60604

Dear Regional Administrator:

On July 1, 1982, Waste Management, Inc. sent you a letter signed by our Chief Financial Officer supporting this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265. Unfortunately, this letter contained two typographical errors on page 4. These errors are on lines 5 and 6 of Alternative II.

Line 5 - has the figure \$376,319.00; this should be \$376,419,000

Line 6 - has the figure \$679,533.00; this should be \$679,533,000

Enclosed is a corrected page 4 showing the proper figures. Please replace this page in the original letter.

We apologize for any inconvenience this error may have caused. If you have any questions, please contact me at (312)654-8800, Ext. 214.

Very truly yours,

Waste Management, Inc.

*Arthur W. Ingram*  
Arthur W. Ingram  
Director of Internal Audit

Enclosure

cc: Michael Lang  
Arthur Andersen & Co.

Environmental Protection Agency  
July 1, 1982

Page 4

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended December 31, 1981.

Alternative II

- |     |  |                      |
|-----|--|----------------------|
| 1.  | Sum of current closure and post-closure cost estimates .....   | <u>\$ 34,967,595</u> |
| 2.  | Current bond rating of most recent issuance of this firm ..... Standard Poor's AA- and name of rating service..... | <u>Moody's Aa</u>    |
| 3.  | Date of issuance of bond .....   | <u>9-1-80</u>        |
| 4.  | Date of maturity of bond .....   | <u>9-1-83</u>        |
| *5. | Tangible net worth of .....  | <u>\$376,419,000</u> |
| *6. | Total assets in U.S. ....  | <u>\$679,533,000</u> |
| 7.  | Is line 5 at least \$10 million ?.....   | <u>Yes</u>           |
| 8.  | Is line 5 at least 6 times line 1?.....  | <u>Yes</u>           |
| *9. | Are at least 90% of firm's assets located in the U.S.? .....   | <u>No</u>            |
| 10. | Is line 6 at least 6 times line 1?.....  | <u>Yes</u>           |

**International Surplus Lines  
Insurance Company**

0 HC 220 273 519  
100th Floor - Sears Tower  
233 South Wacker Drive  
Chicago, Illinois 60606  
Telex 25-4597  
(312) 876-3100

**HAZARDOUS WASTE FACILITY  
CERTIFICATE OF LIABILITY INSURANCE**

1. Name of Insurer: International Surplus Lines Insurance Company  
Address of Insurer: 233 S. Wacker Drive, Chicago, Illinois 60606

hereby certifies that it has issued liability insurance covering bodily injury and property damage to:

Name of Insured: Waste Management, Inc.  
Address of Insured: 3003 Butterfield Road  
Oakbrook, Illinois 60521

in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverages applies at (Various Locations - See Below) for "non-sudden accidental occurrences." The limits of liability are \$3 million each occurrence and \$6 million annual aggregate exclusive of legal defense costs. The coverage is provided under policy number GP 56061 issued on 7/13/82. The effective date of said policy is 4/25/82.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
- a) Bankruptcy or insolvency of the Insured shall not relieve the Insurer of its obligations under the policy.
  - b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.



- e) Any other termination of the insurance will be effective by only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is(are) located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines Insurer, in one or more states.

SCHEDULE

<u>NAME OF FACILITY</u>	<u>ADDRESS OR LOCATION</u>	<u>EPA IDENTIFICATION NUMBER</u>
Chemical Waste Management, Inc.	3106 Snyder-Domer Rd. Springfield, Ohio 45502	OHD 000724161

THIS CERTIFICATE ISSUED TO:  
Environmental Protection Agency,  
Region V  
Thomas B. Goltz  
Waste Management Branch  
230 Dearborn Street  
Chicago, Illinois 60604

  
Signature of Authorized Representative

L.W. Biegler Inc.  
100th Floor - Sears Tower  
233 S. Wacker Drive  
Chicago, Illinois 60606

**International Surplus Lines  
Insurance Company**

100th Floor - Sears Tower  
233 South Wacker Drive  
Chicago, Illinois 60606  
Telex 25-4597  
(312) 876-3100

**HAZARDOUS WASTE FACILITY  
CERTIFICATE OF LIABILITY INSURANCE**

1. Name of Insurer: International Surplus Lines Insurance Company  
Address of Insurer: 233 S. Wacker Drive, Chicago, Illinois 60606

hereby certifies that it has issued liability insurance covering bodily injury and property damage to:

Name of Insured: Waste Management, Inc.  
Address of Insured: 3003 Butterfield Road  
Oakbrook, Illinois 60521

in connection with the Insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverages apply at (Various Locations - See Below) for "non-sudden accidental occurrences." The limits of liability are \$3 million each occurrence and \$6 million annual aggregate exclusive of legal defense costs. The coverage is provided under policy number GP 56061 issued on 7/13/82. The effective date of said policy is 4/25/82.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
- a) Bankruptcy or insolvency of the Insured shall not relieve the Insurer of its obligations under the policy.
  - b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).
  - c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.
  - d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.



- e) Any other termination of the insurance will be effective by only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is(are) located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines Insurer, in one or more states.

SCHEDULE

NAME OF FACILITY

Chemical Waste Management,  
Inc. (Ohio Liquid Disposal)

ADDRESS OR LOCATION

504 Liberty Street  
Fremont, Ohio 43420

EPA  
IDENTIFICATION  
NUMBER  
OHD 020273819

  
Signature of Authorized Representative

L.W. Biegler Inc.  
100th Floor - Sears Tower  
233 S. Wacker Drive  
Chicago, Illinois 60606

THIS CERTIFICATE ISSUED TO:  
Environmental Protection Agency,  
Region V  
Thomas B. Goltz  
Waste Management Branch  
230 Dearborn Street  
Chicago, Illinois 60604





Waste Management, Inc.  
3003 Butterfield Road • Oak Brook, Illinois 60521

OHD 20 273 819

January 15, 1983

Environmental Protection Agency, Region V  
Thomas B. Goltz  
Waste Management Branch  
230 Dearborn Street  
Chicago, Illinois 60404

Dear Regional Administrator:

Enclosed are the required certificates of insurance for non-sudden accidental occurrences for bodily and property damage to third parties as required by our firm in accordance with 40 CFR 265.147(b) on January 15, 1983.

The operations covered by these certificates in your Region are:

• Solvent Resource Recovery, Inc.  
4301 West Infirmary Road  
West Carrollton, OH 43449  
EPA #OHD093945293

• Chemical Waste Management, Inc.  
(Ohio Liquid Disposal)  
504 Liberty Street  
Fremont, OH 43420  
EPA #OHD020273819

• Chemical Waste Management, Inc.  
3106 Snyder-Domer Road  
Springfield, OH 45502  
EPA #OHD000724161

• Ohio Waste Systems, Inc.  
(Evergreen Landfill)  
6525 Wales Road  
Northwood, OH 43619  
EPA #OHD068111327

• Michigan Waste Systems, Inc.  
(Woodland Meadows Landfill)  
4620 Hannan Road  
Wayne, MI 48184  
EPA #MID000810408

• Cascade Resource Recovery, Inc.  
6200 - 52nd St., S.E.  
Grand Rapids, MI 49508  
MID000718700

The working of these instruments is the same as published in the Federal Register April 16, 1982. If you have any questions concerning these certificates, please give me a call at the number listed above.

Very truly yours,

WASTE MANAGEMENT, INC.

Arthur W. Ingram  
Director of Internal Audit

AWI/djs

1. The International Insurance Company of Chicago, Illinois hereby certifies that it has issued liability insurance covering bodily injury and property damage to WASTE MANAGEMENT, INC. of 3003 Butterfield Road, Oakbrook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under 40 CFR 264.147 or 265.147. The coverage applies at SEE LIST ATTACHED

for non-sudden accidental occurrences.

The limits of liability are \$ 3,000,000. each occurrence and \$ 6,000,000. annual aggregate exclusive of legal defense costs. The coverage provided under policy number 560-000-223 issued on April 25, 1983. The effective date of said policy is April 25, 1983.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:

(a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.

(b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in 40 CFR 264.147(f) or 265.147(f).

(c) Whenever requested by a Regional Administrator of the U.S. Environmental Protection Agency (EPA), the Insurer agrees to furnish to the Regional Administrator a signed duplicate original of the policy and all endorsements.

(d) Cancellation of the insurance, whether by the Insurer or the insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.

(e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Regional Administrator(s) of the EPA Region(s) in which the facility(ies) is (are) located.

I hereby certify that the wording of this instrument is identical to the wording specified in 40 CFR 264.151(j) as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Frank Kinnett

Frank Kinnett - Vice President  
(Authorized Representative)

International Insurance Company  
% The London Agency, Inc.

P. O. Box 4985, Atlanta, GA 30302

CERTIFICATE ISSUED TO:

Regional Administrator

Environmental Protection Agency - Region V

230 S. Dearborn

Chicago, Illinois 60604

RECEIVED

FEB 29 1986

U.S. EPA REGION V

WASTE MANAGEMENT DIVISION  
Hazardous Waste Management Unit

1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine St., New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak Brook, Illinois 60521 in connection with the insured's obligation to demonstrate financial responsibility under rule 3745-55-47 of the Administrative Code. The coverage applies at:

Name, Address

Ohio Permit #

EPA Identification Number

Chemical Waste Management, Inc.- 03-72-0191  
Pickery  
56 State Route 412  
Pickery, OH 43464

OHD020273819

for sudden accidental occurrences. The limits of liability are \$1,000,000 each occurrence and \$2,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under policy number PRM-9310984, issued on 4/25/86. The effective date of said policy is 4/25/86.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1.
- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
  - (b) The Insurer is liable for the payment of amounts within any deductible applicable to the policy with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in paragraph (F) of rule 3745-55-47 or paragraph (F) of rule 3745-66-47 of the Administrative Code.
  - (c) Whenever requested by the Director of the Ohio Environmental Protection Agency, the Insurer agrees to furnish to the Director a signed duplicate original of the policy and all endorsements.
  - (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Director.
  - (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Director.

I hereby certify that the wording of this instrument is identical to the wording specified in paragraph (J) of 3745-55-51 of the Administrative Code as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

Robert S. Davis  
Vice President  
Authorized Representative of  
National Union Fire Insurance Co. of  
Pittsburgh, PA  
70 Pine Street  
New York, New York 10270

*R.S. Davis*

CERTIFICATE ISSUED TO:

Director  
Ohio Environmental Protection Agency  
361 East Broad  
Columbus, OH 43215  
ATTN: Deborah Tegtmeier  
Div. of Solid & Hazardous  
Waste Management

1. National Union Fire Insurance Company of Pittsburgh, PA, (the "Insurer") of 70 Pine Street, New York, NY 10270 hereby certifies that it has issued liability insurance covering bodily injury and property damage to Waste Management, Inc. and its subsidiaries (the "Insured"), of 3003 Butterfield Road, Oak, Brook, IL 60521 in connection with the Insured's obligation to demonstrate financial responsibility under rule 3745-55-47 of the Administrative Code. The coverage applies at:

<u>Name, Address</u>	<u>Ohio Permit #</u>	<u>EPA Identification Number</u>
Chemical Waste Management, Inc.- 03-72-0191 Vickery 3956 State Route 412 Vickery, OH 43464		OHDO20273819

for non-sudden accidental occurrences. The limits of liability are \$3,000,000 each occurrence and \$6,000,000 annual aggregate exclusive of legal defense costs. The coverage is provided under Policy No. PRM-9310984 issued on April 25, 1986. The effective date of said policy is April 25, 1986.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:

- (a) Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.

The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the Insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in paragraph (F) of rule 3745-55-47 or paragraph (F) of rule 3745-66-47 of the Administrative Code.

Whenever requested by the Director of the Ohio Environmental Protection Agency, the Insurer agrees to furnish to the Director a signed duplicate original of the policy and all endorsements.

- (d) Cancellation of the insurance, whether by the Insurer or the Insured, will be effective only upon written notice and only after the expiration of sixty (60) days after a copy of such written notice is received by the Director.

- (e) Any other termination of the insurance will be effective only upon written notice and only after the expiration of thirty (30) days after a copy of such written notice is received by the Director.

I hereby certify that the wording of this instrument is identical to the wording specified in paragraph (J) of 3745-55-51 of the Administrative Code as such regulation was constituted on the date first above written, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

Robert S. Davis  
Vice President  
Authorized Representative of  
National Union Fire Insurance Co.  
of Pittsburgh, PA  
70 Pine St.  
New York, New York 10270

*R.S. Davis*

CERTIFICATE ISSUED TO:

Director  
Ohio Environmental Protection Agency  
361 East Broad  
Columbus, OH 43215  
ATTN: Deborah Tegtmeier  
Division of Solid & Hazardous  
Waste Management

RECEIVED

APR 29 1986

U.S. EPA, REGION V  
WASTE MANAGEMENT DIVISION  
HAZARDOUS WASTE ENFORCEMENT BRANCH

42-50022-1

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LOAN AGREEMENT

Dated as of September 1, 1980

By and Between

ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

and

WASTE MANAGEMENT, INC.

The amounts payable to Illinois Environmental Facilities Financing Authority (other than amounts payable to it under Sections 5.4, 5.10 and 6.4 hereof) and certain other rights of the Authority under this Loan Agreement have been pledged and assigned to Continental Illinois National Bank and Trust Company of Chicago as Trustee under the Indenture of Trust, dated as of September 1, 1980, from Illinois Environmental Facilities Financing Authority.

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## LOAN AGREEMENT

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and is only for convenience of reference)

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THIS LOAN AGREEMENT dated as of September 1, 1980, between ILLINOIS ENVIRONMENTAL FACILITIES FINANCING AUTHORITY, a body politic and corporate and a public instrumentality duly organized and existing under the laws of the State of Illinois, party of the first part (hereinafter sometimes referred to as the "Issuer"), and WASTE MANAGEMENT, INC., a corporation duly organized and existing under the laws of the State of Delaware, party of the second part (hereinafter sometimes referred to as the "Company"),

W I T N E S S E T H:

WHEREAS, the Issuer is created under and authorized by the Illinois Environmental Facilities Financing Act, Illinois Revised Statutes 1979, Ch. 127, Section 721 et seq., as from time to time supplemented and amended (the "Act"), to acquire, construct, reconstruct, repair, alter, improve, extend, own, finance, lease, sell and otherwise dispose of environmental facilities which includes solid waste disposal facilities to the end that the Issuer may be able to promote the health and welfare of the people of the State of Illinois and to vest such Issuer with all powers to enable such Issuer to accomplish such purpose; and

WHEREAS, the Issuer is further authorized by the Act to issue revenue bonds payable solely and only from the revenues and receipts derived from the leasing, financing or sale of such facilities to provide funds to pay the costs of the financing, acquisition, construction and installation of such facilities; and

WHEREAS, the Act provides that such bonds shall be secured by a pledge of the revenues and receipts out of which such bonds shall be payable; and

WHEREAS, pursuant to and in accordance with the provisions of the Act and by resolutions, the Issuer has authorized and undertaken to issue its Bonds to provide funds to pay the cost of financing certain environmental facilities which have been or will be acquired, constructed and installed by the Company or one of its wholly-owned subsidiaries; and

WHEREAS, the Company has agreed to make payments pursuant to this Agreement which, together with other funds available for such purpose, will be sufficient to pay the principal of, premium, if any, and interest on the Bonds and related expenses:

NOW, THEREFORE, in consideration of the respective representations and agreements herein contained, the parties hereto agree as follows (provided that any obligation of the Issuer created by or arising out of this Agreement shall not impose a debt or pecuniary liability upon the State of Illinois or any political subdivision thereof, or a charge upon the general credit or taxing powers of such bodies, but shall be payable solely out of the revenues and receipts derived hereunder (except as provided in the hereinafter defined Indenture and in this Agreement, to the extent paid out of moneys attributable to the proceeds of the sale of the Bonds referred to herein or the income from the temporary investment thereof) by the Issuer):

## ARTICLE I

### DEFINITIONS

The following terms shall have the meanings specified in this Article unless the context requires otherwise. The singular shall include the plural and the masculine shall include the feminine.

"Act" means the Illinois Environmental Facilities Financing Act, Illinois Revised Statutes 1979, ch. 127, Section 721 et seq., as from time to time supplemented and amended.

"Additional Bonds" means the additional parity Bonds authorized to be issued by the Issuer pursuant to the terms and conditions of Section 301 of the Indenture.

"Agency" means the Illinois Environmental Protection Agency or its successor.

"Agreement" means this Agreement and all amendments and supplements hereto.

"Authorized Company Representative" means any person who, at the time, shall have been designated as such pursuant to the provisions of Section 3.6 hereof by a written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Company by its Chairman of the Board, President, any Vice President, Secretary or Treasurer. Such certificate shall designate an alternate or alternates.

"Authorized Issuer Representative" means any person at the time designated to act on behalf of the Issuer by a written certificate furnished to the Company and the Trustee containing the specimen signature of such person and signed on behalf of the Issuer by its Chairman, Vice Chairman, Secretary or Assistant Secretary. Such certificate shall designate an alternate or alternates.

"Bond" or "Bonds" means any one or more of the Solid Waste Disposal Revenue Bonds (Waste Management, Inc. Project), including the Series 1980 Bonds and any Additional Bonds, authorized and issued by the Issuer, authenticated by the Trustee and delivered under the Indenture.

"Bond Counsel" means the counsel who rendered the opinion as to the tax-exempt status of interest on the Series 1980 Bonds, or if an opinion required by this Agreement or the Indenture is unavailable from such counsel, then other nationally recognized municipal bond counsel mutually acceptable to the Issuer, the Trustee and the Company.

"Bond Fund" means the Bond Fund created by Section 402 of the Indenture.

"Business Day" means a business day at the corporate trust office of the Trustee.

"Code" means the United States Internal Revenue Code of 1954, as amended, and all regulations promulgated thereunder.

"Company" means Waste Management, Inc., the party of the second part hereto, and any surviving, resulting or transferee corporation as permitted under Section 5.3 hereof.

"Completion Date" means, with respect to each series of Bonds, the date of completion of the acquisition, construction and installation of the Project or of any additional Exempt Facilities financed with the proceeds of such series of Bonds as that date shall be certified as provided in Section 3.4 hereof.

"Cost" or "Costs" means any reasonable or necessary cost or costs incidental to the acquisition, construction and installation of the Project, as permitted under the Act. Without limiting the generality of the foregoing, such cost or costs, to the extent permitted, may include the items listed in subparagraphs (a) through (g) of Section 3.3 hereof.

"Counsel" means an attorney at law or a firm of attorneys (who may be an employee of or counsel to the Issuer or the Company) duly admitted to the practice of law before the highest court of any state of the United States of America.

"Exempt Facilities" means facilities, substantially all of which qualify as "sewage or solid waste disposal facilities" or "air or water pollution control facilities" as those terms are defined in Section 103(b)(4) of the Code, and all of which qualify as "environmental facilities" under Section 723(c) of the Act.

"Extraordinary Services" and "Extraordinary Expenses" mean all services rendered and all reasonable expenses incurred under the Indenture other than Ordinary Services and Ordinary Expenses including any tax or governmental charge due in connection with the exchange of any Bond which is not chargeable to the bondholder pursuant to Section 203 of the Indenture.

The words "hereof", "herein", "hereunder" and other words of similar import refer to this Agreement as a whole.

"Indenture" means the Indenture of Trust between the Issuer and Continental Illinois National Bank and Trust Company of Chicago, as Trustee, of even date herewith, including any indenture supplemental thereto or amendatory thereof.

"Issuer" means Illinois Environmental Facilities Financing Authority, the party of the first part hereto and its successors, and any public instrumentality resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"Ordinary Services" and "Ordinary Expenses" mean those services rendered and those reasonable expenses, including reasonable fees of counsel, incurred by the Trustee under the Indenture which are equivalent to those services normally rendered and those reasonable expenses normally incurred by a trustee under instruments similar to the Indenture.

"Pollution" means any form of environmental pollution, as defined in the Act.

"Principal Payment Date" means any date on which the principal of any Bonds shall become due whether by maturity, redemption, acceleration or purchase or on which date amounts

are required to be deposited in any sinking fund established under the Indenture.

"~~Project~~" means the land, structures, machinery, equipment, systems or processes, or any portion thereof, which are (i) Exempt Facilities, (ii) used or to be used in conjunction with the operations of the Company, or one of its wholly-owned subsidiaries, in Illinois and (iii) briefly described in Exhibit A hereto, as said Exhibit A may from time to time be amended.

"Project-Acquisition Period" means the period between the beginning of acquisition, construction and installation of the Project or the date on which Series 1980 Bonds are delivered to the initial purchasers thereof, whichever is earlier, and the Completion Date.

"Project Fund" means the Project Fund created by Section 406 of the Indenture.

"Series 1980 Bonds" means the \$25,000,000 aggregate principal amount of Solid Waste Disposal Revenue Bonds (Waste Management, Inc. Project). Series 1980, identified in Section 201 of the Indenture.

"Trustee" means the trustee and/or the co-trustee at the time serving as such under the Indenture.

All other terms used herein which are defined in the Indenture shall have the same meanings assigned them in the Indenture unless the context otherwise requires.

## ARTICLE II

### REPRESENTATIONS

Section 2.1. Representations by the Issuer. The Issuer makes the following representations as the basis for the undertakings on its part herein contained:

(a) Under the provisions of the Act the Issuer is a duly authorized and existing body politic and corporate and public instrumentality of the State of Illinois and has the power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper corporate action the Issuer has been duly authorized to execute and deliver this Agreement.

(b) To finance the Cost of the Project the Issuer proposes to issue its Series 1980 Bonds in the amount and having the terms and conditions specified in Article II of the Indenture.

(c) The Bonds are to be issued under and secured by the Indenture, pursuant to which certain of the Issuer's interests in this Agreement and certain of the revenues and receipts derived by the Issuer pursuant to this Agreement will be pledged and assigned to the Trustee as security for payment of the principal of, premium, if any, and interest on, the Bonds.

(d) The Issuer has found that the financing of the Project is in the public interest.

(e) After the issuance of the Series 1980 Bonds the aggregate principal amount of the Issuer's bonds at any time theretofore issued will be not greater than the sums authorized by the Act for other than small businesses.

(f) Neither the Executive Director of the Issuer nor any of its members owns any stock in the Company or is employed by the Company or is in any other way connected with the Company.

(g) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Issuer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(h) When executed by the officers of the Issuer, this Agreement will constitute a valid, binding and enforceable obligation of the Issuer.

Section 2.2. Representations by the Company. The Company makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Company is a corporation duly incorporated under the laws of the State of Delaware, is duly qualified to do business in the State of Illinois as a foreign corporation, is in good standing in the State of Delaware and in the State of Illinois, has corporate power to enter into this Agreement and by proper corporate action has authorized the execution and delivery of this Agreement.

(b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, will result in a material breach of any of the terms, conditions or provisions of any material agreement or instrument to which the Company is now a party or by which it is bound, or constitute a default under any of the foregoing, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Company prohibited under the terms of any instrument or agreement.

(c) As a result of the acquisition, construction, installation and operation of the Project, the Company or one of its wholly-owned subsidiaries will control, abate or prevent Pollution resulting from solid waste disposal in Illinois.

(d) The property comprising the Project constitutes or will constitute either land or property of a character subject to the allowance for depreciation under Section 167 of the Code, and the Costs constitute amounts which are chargeable to the Company's capital account or which would be so chargeable either with a proper election by the Company under the Code or but for a proper election by the Company to deduct such amounts.

(e) Acquisition, construction and installation of the Project commenced subsequent to March 3, 1979 the date of adoption of Resolution No. 79-009 of the Issuer, by which the Issuer preliminarily approved the issuance of the Series 1980 Bonds.

(f) All of the net proceeds from the Series 1980 Bonds will be used to provide Exempt Facilities.

(g) The Project and all components thereof during their useful lives shall at all times during the term hereof be geographically located in the State of Illinois.

### ARTICLE III

#### ACQUISITION AND COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

Section 3.1. Agreement to Acquire, Construct and Install the Project. The Company covenants and agrees that it will, or will cause one of its wholly-owned subsidiaries to, acquire, construct and install the Project entirely within the State of Illinois. Such acquisition, construction and installation shall be made substantially in accordance with the Company's specifications and directions. The Company may supplement or amend the description of the Project (including additions thereto or omissions therefrom) at any time, provided that no such supplement or amendment shall substantially change the description of the Project set forth in Exhibit A hereto or change the function of any principal component described in Exhibit A hereto, except in accordance with the provisions of Section 5.7 hereof or unless the Issuer shall have consented thereto in writing, which consent shall not be unreasonably withheld, and there shall be filed with the Issuer and the Trustee the written approving opinion of Bond Counsel to the effect that such supplement or amendment will not (i) result in the inclusion of interest on any Bond in the gross income of the holder thereof (other than a person who is a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) or Section 103(b)(6)(C), respectively, of the Code) for federal income tax purposes, or (ii) change the status of the Project as Exempt Facilities. In the event of a supplement or amendment to the description of the Project, the Issuer and the Company shall revise Exhibit A to this Agreement to reflect such supplement or amendment. The Company may identify any proprietary information in connection with the Project and the Issuer agrees to the extent permitted by law to keep such information confidential.

Acquisition, construction and installation of any portion of the Project shall not be commenced until the Company has obtained all legally required Agency permits for such portion



of the Project. Upon written request of the Issuer, the Company agrees to make available to the Issuer for review and copying all such permits.

Subject to the force majeure provisions of Section 6.1 hereof, the Company agrees to take all reasonable efforts to cause the acquisition, construction and installation of the Project to be completed as soon as may be practicable. For such acquisition, construction and installation which commence prior to the receipt of proceeds from the sale of the Series 1980 Bonds, the Company agrees to advance all funds necessary for such purpose, which advances may be reimbursed from the Project Fund to the extent permitted by Section 3.3 hereof. Nothing contained in this Section shall relieve the Company from making the payments required to be paid pursuant to Section 4.2 hereof.

Section 3.2. Agreement to Issue Bonds: Application of Bond Proceeds: Additional Bonds. In order to provide funds to finance a portion of the costs of acquisition, construction and installation provided for in Section 3.1 hereof, the Issuer agrees that it will sell and cause to be delivered to the purchasers thereof \$25,000,000 aggregate principal amount of the Series 1980 Bonds having the terms specified in the Indenture. Upon receipt of the net proceeds the Issuer will (a) deposit in the Bond Fund a sum equal to the amount required to be so deposited pursuant to Section 403 of the Indenture, and (b) deposit in the Project Fund the balance of the proceeds received from said sale.

Upon the request of the Company, the Issuer may in its sole discretion authorize the issuance of Additional Bonds upon the terms and conditions provided in Section 301 of the Indenture. If authorized by the Issuer, Additional Bonds shall be issued to provide funds to pay any one or more of the following: (i) the costs of completing the Project or repairing or restoring the same, (ii) the costs of making such additions, improvements, extensions, alterations, relocations, enlargements, expansions, modifications or changes (hereinafter in this paragraph collectively called the "improvements") in, on or to the Project for the control of Pollution as are authorized by the Act as the Company may deem necessary or desirable, provided that such improvements do not materially impair the effective use of the Project, (iii) the costs of providing other facilities for the control of Pollution in conjunction with the Company's operations in the State of Illinois, (iv) the refunding, to the extent permitted by law and the Indenture,

of any Bonds then outstanding, and (v) the costs of the issuance and sale of the Additional Bonds and capitalized interest for such period and other costs reasonably related to the financing, as shall be agreed upon by the Company and the Issuer.

Prior to the issuance of such Additional Bonds, the terms of such Additional Bonds, the purchase price to be paid therefor and the manner in which the proceeds therefrom are to be disbursed shall be approved in writing by the Company and the Issuer; the Company and the Issuer shall enter into an amendment to this Agreement to provide for additional payments in an amount at least sufficient to pay the principal of, premium, if any, and interest on, the Additional Bonds when due, and the Issuer and the Company shall otherwise comply with the provisions of Section 301 of the Indenture with respect to the issuance of such Additional Bonds.

Section 3.3. Disbursements from the Project Fund.

The Issuer has, in the Indenture, authorized and directed the Trustee to use the moneys in the Project Fund, to the extent that they constitute "project costs" as defined in the Act, for the following purposes (but, subject to the provisions of Section 3.7 hereof, for no other purposes):

(a) Payment of the initial or acceptance fee of the Trustee; the fees and expenses for recording or filing any required documents or instruments by which the revenues and receipts to be derived by the Issuer pursuant to this Agreement are assigned and pledged as security for the Bonds; the fees and expenses for recording or filing any financing statements, any title curative documents and any other documents or instruments that either the Company or counsel to the Issuer may deem desirable to file for record.

(b) Payment to the Company of such amounts as shall be necessary to reimburse the Company in full for all advances and payments made or costs it incurred or will incur prior to or after the execution of this Agreement for expenditures in connection with the preparation of plans and specifications for the Project (including any preliminary study or planning of the Project or any aspect thereof), the acquisition, construction and installation of the Project and the acquisition, construction and installation necessary to provide utility services and all real or personal

properties deemed necessary in connection with the Project, or any one or more of said expenditures.

(c) Payment, or reimbursement to the Company, of all financial, legal and accounting fees and expenses and printing and engraving costs incurred in connection with the authorization, sale and issuance of the Bonds, the preparation of this Agreement, the Indenture and all other documents in connection therewith.

(d) Payment, or reimbursement to the Company, for labor, services, materials and supplies used or furnished in site improvement, payment for the cost of the acquisition, construction and installation of the Project, payment for the cost of acquisition and installation of utility services, and all real and personal property deemed necessary in connection with the Project and payment for the miscellaneous expenses incidental to any thereof.

(e) Payment, or reimbursement to the Company, of the fees, if any, for architectural, engineering and supervisory services with respect to the Project and for any fee payable to Issuer or Issuer's counsel in connection with the financing of the Project.

(f) Payment, or reimbursement to the Company, of expenses incurred with approval of the Company in seeking to enforce any remedy against any supplier or vendor in respect of any contract relating to the Project.

(g) Payment into the Bond Fund of any amount which may be necessary to pay the interest to accrue on the Bonds, or reimbursement of the Company for any payments for such purpose, during the Project-Acquisition Period.

Each of the payments for any Cost of the Project shall be made only upon receipt by the Trustee of a written order signed by the Authorized Company Representative certifying:

(i) the requisition number;

(ii) the portions of the Project to which the payment relates;

(iii) the payee, which may be the Trustee in the case of a requisition for the payment of interest on the Bonds, and which may be the Company in the case of (a) work performed by the Company's personnel or (b) reimbursement for payments advanced by the Company for the Project;

(iv) the amount;

(v) that the payment is due, is a proper charge against the Project Fund and has not been the basis for any previous withdrawal from the Project Fund; and

(vi) that the Company has obtained such permit or permits from the Agency as are legally required for the portions of the Project to which the requisition relates and stating that a copy of such permit or permits is available for inspection by the Issuer.

Interest on the Bonds during the Project-Acquisition Period and legal, consulting and any Bond issuance expense shall be set forth separately in any requisition requesting payment therefor. Each requisition will be consecutively numbered. Before any payments referred to in this Section may be made, the Authorized Company Representative shall have either (i) obtained the written approval for such payment from the Authorized Issuer Representative, a copy of which written approval shall be filed with the Trustee, or (ii) sent by certified mail to the Issuer and to the Trustee, at least three business days prior to such payment, a copy of the requisition, and the Issuer shall not have advised the Company and the Trustee of its objection to the payment. The Issuer and the Trustee may rely upon all statements made in any such requisition.

Section 3.4. Establishment of Completion Date. The Completion Date with respect to the Project or with respect to any additional Exempt Facilities financed with the proceeds of Additional Bonds, as the case may be, shall be evidenced to the Trustee and the Issuer by a certificate signed by the Authorized Company Representative stating (i) the Completion Date, (ii) that acquisition, construction and installation of the Project, or any such additional Exempt Facilities, as the

case may be, has been completed to the satisfaction of the Company, and all labor, services, materials and supplies used in such acquisition, construction and installation have been paid for or are not then due and payable (in which event the Trustee shall retain amounts remaining in the Project Fund necessary to pay Costs not then due and payable as directed by the Authorized Company Representative), (iii) that the Project, or any such additional Exempt Facilities, as the case may be, as so acquired, constructed and installed is suitable and sufficient for efficient operation as environmental facilities (as defined in the Act) and (iv) that all of the net proceeds from the Bonds theretofore issued have been used to provide Exempt Facilities.

Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

All moneys (including any moneys earned pursuant to the provisions of Section 3.7 hereof) remaining in the Project Fund on the Completion Date may be used, at the written direction of the Authorized Company Representative, to the extent indicated, for one or more of the following purposes:

(1) for the payment, in accordance with the provisions of this Agreement, of any Cost not then due and payable as specified in the above-mentioned certificate; or

(2) for transfer to the Bond Fund, but only if, and to the extent that, the Trustee has been furnished with an opinion of Bond Counsel to the effect that such transfer is lawful under the Act and does not adversely affect the exemption from Federal income taxation of interest on any of the Bonds.

Any moneys (including investment proceeds) remaining in the Project Fund on the date of the aforesaid certificates and not set aside for the payment of Costs not then due and payable as specified in (1) above or transferred to the Bond Fund pursuant to (2) above shall on such date be placed by the Trustee in a separate escrow account and used to pay all or part of the redemption price of Bonds at the earliest possible redemption date or dates; provided that, until so used such moneys may also be used, at the direction of the Authorized Company Representative, for one or more of the following

purposes:

(a) to reimburse the Company for all or part of the price of its purchases of Bonds on tender, in the open market or at private sale, on or before such date or dates, for the purpose of cancellation and which Bonds have been delivered to the Trustee for cancellation;

(b) to transfer to the Bond Fund for payment of all or part of the principal of and interest on the Bonds coming due on or before such date or dates;

(c) for the payment of qualifying costs of any additional Exempt Facilities, provided that prior to such use Issuer adopts such resolutions as may be necessary to amend this Agreement to include such additional facilities within the definition of Project as used herein; or

(d) for any other purpose;

provided that, no moneys on deposit in such escrow account may be used for any of the purposes specified in this paragraph (including the redemption of Bonds) unless and until the Trustee has been furnished with an opinion of Bond Counsel to the effect that such use is lawful under the Act and does not adversely affect the exemption from Federal income taxation of interest on any of the Bonds; and provided further that, until used for one or more of the foregoing purposes, moneys on deposit in such escrow account may be invested as provided in Section 3.7 hereof, but may not be invested to produce a yield on such moneys (computed from the Completion Date and taking into account any investment of moneys during the period from the Completion Date until such moneys were deposited in such escrow account) greater than the yield on the Bonds from which such proceeds were derived, all as such terms are used in and determined in accordance with Section 103(c) of the Code and regulations promulgated or proposed thereunder.

Section 3.5. Company Required to Pay Costs in Event Project Fund Insufficient. In the event the moneys in the Project Fund available for payment of Costs should not be sufficient to pay the Costs in full, the Company agrees to pay directly, or to deposit in the Project Fund moneys sufficient to pay, the costs of completing the Project as may be in excess of the moneys available therefor in the Project Fund. The Issuer

does not make any warranty, either express or implied, that the moneys which will be paid into the Project Fund and which, under the provisions of this Agreement, will be available for payment of Costs, will be sufficient to pay all Costs. The Company agrees that if after exhaustion of the moneys in the Project Fund the Company should pay, or deposit moneys in the Project Fund for the payment of, any portion of said Costs pursuant to the provisions of this Section, it shall not be entitled to any reimbursement therefor from the Issuer except from the proceeds of Additional Bonds authorized by the Authority and issued pursuant to Section 301 of the Indenture, if any, or from the Trustee or from the holders of any of the Bonds, nor shall it be entitled to any diminution of the amounts payable under Section 4.2 hereof.

Section 3.6. Authorized Company Representative.

Prior to the initial sale of the Series 1980 Bonds the Company shall appoint an Authorized Company Representative for the purpose of taking all actions and making all certificates required to be taken and made by the Authorized Company Representative under the provisions of this Agreement, and shall appoint alternate Authorized Company Representatives to take any such action or make any such certificate if the same is not taken or made by the Authorized Company Representative. In the event any of said persons, or any successor appointed pursuant to the provisions of this Section, should resign or become unavailable or unable to take any action or make any certificate provided for in this Agreement, another Authorized Company Representative or alternate Authorized Company Representative shall thereupon be appointed by the Company. If the Company fails to make such designation within ten days following the date when the then incumbent resigns or becomes unavailable or unable to take any of the said actions, the Treasurer of the Company shall serve as the Authorized Company Representative.

Whenever under the provisions of this Agreement the approval of the Company is required or the Issuer is required to take some action at the request of the Company, such approval or such request shall be made by the Authorized Company Representative unless otherwise specified in this Agreement and the Issuer or the Trustee shall be authorized to act on any such approval or request and the Company shall have no complaint against the Issuer or the Trustee as a result of any such action taken.

Section 3.7. Investment of Project Fund, Bond Fund and Escrow Account Moneys Permitted. Any moneys held as a part of the Project Fund, the Bond Fund or the escrow account referred to in Section 3.4 hereof shall, at the direction of an Authorized Company Representative, which direction may be oral but shall be confirmed in writing, be invested or reinvested by the Trustee, acting in a reasonable manner, in interest bearing investments including investments in the following: in bonds, notes, certificates of indebtedness, Treasury bills or other securities constituting direct obligations of, or obligations unconditionally guaranteed by, the United States of America; in certificates of deposit or time deposits constituting direct obligations of any bank as defined by the Illinois Banking Act, as amended, provided, that investments may be made only in those certificates of deposit or time deposits in banks which are insured by the Federal Deposit Insurance Corporation, if then in existence; in short term discount obligations of the Federal National Mortgage Association; and in any other investment then permitted by the Act. The Company shall not direct the Trustee to make any investment unless such investment is permitted by law and by this Agreement, including this Section 3.7 and Sections 3.4 and 3.8 hereof.

Any such securities may be purchased at the offering or market price thereof at the time of such purchase. Such investments shall mature in such amounts and at such times, or shall be readily marketable prior to their maturities, as the Company may direct.

The Trustee may make any and all such investments through its own bond department. Any interest accruing on, profit realized from, or loss resulting from the investment of any moneys held as part of the Bond Fund, the Project Fund or the escrow account referred to in Section 3.4 hereof shall be credited or charged, as may be appropriate, to the respective fund or account. For the purposes of this Section, any interest bearing deposits, including certificates of deposit, issued by the Trustee or another bank or on deposit with the Trustee shall be deemed to be investments and not deposits.

Notwithstanding the provisions of this Section 3.7, however, if the investment of such monies is in the opinion of the Company required to be limited in order to comply with the covenants of Section 3.8 hereof, or any provision of then applicable law, the Company may require that all or any part of such investment be made in non-interest bearing deposits (which shall be deemed to be investments and not deposits) or



other securities particularly limited for such purpose.

Section 3.8. Special Arbitrage Covenants. The Issuer, to the extent it has any control over the use of Bond proceeds, and the Company each covenant that it will not permit the investment of any of the proceeds of the Series 1980 Bonds (or the investment of any moneys in the Project Fund or the Bond Fund under the Indenture or in the escrow account referred to in Section 3.4 hereof) which would result in such Bonds being considered "arbitrage bonds" for purposes of Section 103(c)(2) of the Code.

#### ARTICLE IV

##### Loan and Provisions for Payment

Section 4.1. Loan. In order to finance a portion of the Project the Issuer shall loan from time to time the proceeds received from the sale of the Bonds to the Company as provided in Section 3.3 hereof. Such proceeds shall be disbursed and applied in accordance with Article III hereof.

Section 4.2. Loan Payments and Other Amounts Payable. The Company shall pay to the Trustee as repayment of the loan the following amounts on the following dates:

(a) With respect to each series of which Bonds are Outstanding (as defined in the Indenture), no later than the opening of business on each interest payment date with respect to such series, a sum (in funds immediately available to the Trustee) which, together with other moneys available therefor in the Bond Fund, will equal the interest to be paid on the Outstanding Bonds of such series on such interest payment date; and

(b) With respect to each series of which Bonds are Outstanding (as defined in the Indenture), no later than the opening of business on each Principal Payment Date with respect to such series, a sum (in funds immediately available to the Trustee) which, together with other moneys available therefor in the Bond Fund, will equal the sum of (i) the principal of the Outstanding Bonds of such series which will become due and payable on such Principal Payment Date, (ii) the amount, if any, required to be deposited on such Principal Payment Date in respect of such

series pursuant to any sinking fund provisions of the Indenture, (iii) any applicable premium with respect to such series, and (iv) any accrued interest which will become due and payable on such Principal Payment Date with respect to such series.

Any moneys on deposit in the Project Fund prior to the Completion Date shall be available as provided in Section 403 of the Indenture to be credited against the Company's obligation to make payments pursuant to subparagraph (a) of this Section.

The Company agrees to pay to the Trustee, as part of the payments hereunder, until the principal of, premium, if any, and interest on, the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture, (i) an amount equal to the reasonable annual fee of the Trustee for the Ordinary Services of the Trustee, as trustee, rendered and its Ordinary Expenses incurred under the Indenture, as and when the same becomes due, (ii) the reasonable fees, charges and expenses of the Trustee, as Bond Registrar and paying agent, and to pay directly to any other paying agent on the Bonds for acting as paying agent as provided in the Indenture, as and when the same become due, its fees, charges and expenses and (iii) the reasonable fees, charges and expenses of the Trustee for the necessary Extraordinary Services rendered by it and necessary Extraordinary Expenses incurred by it under the Indenture, as and when the same become due.

Upon a declaration by the Trustee under Section 902 of the Indenture, an amount equal to the principal of all then Outstanding Bonds together with accrued interest thereon shall become immediately due and payable.

In the event the Company shall fail to make any of the payments required in this Section 4.2 with respect to any series of Bonds, the payment so in default shall continue as an obligation of the Company until the amount in default shall have been fully paid and the Company will pay interest on any overdue principal and, to the extent permitted by law, on any overdue interest, at the rate per annum which is equal to the rate per annum borne by the Bonds in respect of which such default shall have occurred.

Section 4.3. Obligations of Company Hereunder Unconditional. The obligations of the Company to make the payments required in Section 4.2 hereof and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional and shall not be subject to any defense (other than payment) or any right of set-off, counterclaim, abatement or otherwise and until such time as the principal of, premium, if any, and interest on, the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, the Company (i) will not suspend or discontinue, or permit the suspension or discontinuance of, any payments provided for in Section 4.2 hereof, (ii) will perform and observe all of its other agreements contained in this Agreement and (iii) will not suspend the performance of its obligations hereunder for any cause including, without limiting the generality of the foregoing, failure to complete the Project, any acts or circumstances that may constitute failure of consideration, failure of or a defect in title to the Project or any part thereof, eviction or constructive eviction, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America or the State of Illinois or any political subdivision of either, or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement. Nothing contained in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained; and in the event the Issuer shall fail to perform any such agreement on its part, the Company may institute such action against the Issuer as the Company may deem necessary to compel performance provided that no such action shall (i) violate the agreements on the part of the Company contained in the first sentence of this Section 4.3 or (ii) diminish the payments and other amounts required to be paid by the Company pursuant to Section 4.2 hereof. The Company may, however, at its own cost and expense and in its own name or in the name of the Issuer (provided the Issuer is a necessary party) prosecute or defend any action or proceeding or take any other action involving third persons which the Company deems reasonably necessary in order to secure or protect its rights hereunder, and in such event the Issuer hereby agrees to cooperate fully with the Company and to take all action necessary to effect the substitution of the Company for the Issuer in any such action or proceeding if the Company shall so request.

Section 4.4. Payments Pledged and Assigned by Issuer.

It is understood and agreed that all payments made by the Company pursuant to Section 4.2 hereof and certain rights of the Issuer hereunder are pledged and assigned to the Trustee pursuant to the Indenture. The Company assents to such pledge and assignment. The Issuer hereby directs the Company and the Company hereby agrees to pay to the Trustee all said amounts payable by the Company pursuant to Section 4.2 hereof. The Project will not constitute any part of the security for the Bonds.

ARTICLE V

Special Covenants

Section 5.1. No Liability of Issuer.

Any obligation of the Issuer, created by or arising out of this Agreement, including the Bonds, shall not be deemed to constitute a debt or liability of the State of Illinois or any political subdivision thereof, or a charge upon the general credit or taxing powers of any of the foregoing, but shall be payable solely out of revenues and receipts derived hereunder except (as provided in the Indenture and in this Agreement) to the extent paid out of moneys attributable to the proceeds of the sale of the Bonds or the income from the temporary investment thereof.

Neither the issuance of the Bonds nor the delivery of this Agreement shall, directly or indirectly or contingently, obligate the State of Illinois or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. Nothing in the Bonds or the coupons appertaining to the coupon Bonds or in the Indenture or this Agreement or the proceedings of the Issuer authorizing the Bonds or in the Act shall be construed to authorize the Issuer to create a debt of the State of Illinois or any political subdivision thereof within the meaning of any constitutional or statutory provision of the State of Illinois. The principal of, premium, if any, and interest on, the Bonds shall be payable solely from the funds pledged for their payment in accordance with the Indenture. Neither the State of Illinois nor any political subdivision thereof shall in any event be liable for the payment of the principal of, or interest or premium, if any, on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Issuer. No breach of any such pledge,

obligation or agreement may impose any pecuniary liability upon the State of Illinois or any political subdivision thereof, or any charge upon the general credit or against the taxing power of the State of Illinois or any political subdivision thereof.

Section 5.2. Issuer's Right of Access to the Project.

The Company agrees that the Issuer and its duly authorized agents shall have the right, subject to such limitations, restrictions and requirements as the Company may reasonably prescribe for plant security and safety reasons and in order to preserve trade secrets, secret processes and formulae, at all reasonable times to enter upon and to examine and inspect the Project. The Company agrees, upon the written request of the Issuer, to identify more precisely the location and major components of each portion of the Project. Information and data contained in the books, records, drawings, designs, plans and specifications of the Company shall be considered proprietary and shall not be disclosed by the Trustee or the Issuer except as required by law.

Section 5.3. Company to Maintain its Corporate Existence: Conditions Under Which Exceptions Permitted. The Company agrees that during the term of this Agreement it will maintain in good standing its corporate existence as a corporation organized under the laws of one of the states of the United States or of the District of Columbia, will remain duly qualified to do business in the State of Illinois, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation; provided, however, that the Company may, without violating the agreement contained in this Section, consolidate with or merge into another domestic corporation (i.e., a corporation (i) incorporated and existing under the laws of one of the states of the United States or the District of Columbia and qualified to do business in the State of Illinois as a foreign corporation or (ii) incorporated and existing under the laws of the State of Illinois), or sell or otherwise transfer to another domestic corporation all or substantially all of its assets as an entirety and thereafter dissolve, provided the resulting, surviving or transferee corporation, as the case may be, irrevocably and unconditionally assumes in writing, by means of an instrument which is satisfactory to and delivered to the Issuer and the Trustee, and agrees to perform all of the obligations of the Company herein.

Section 5.4. Release and Indemnification Covenants.

The Company releases the Issuer (including any person at any time serving as a member, officer or Executive Director of the Issuer) and the Trustee from, agrees that the Issuer (including any person at any time serving as a member, officer or Executive Director of the Issuer) and the Trustee shall not be liable for, and agrees to indemnify and hold the Issuer (including any person at any time serving as a member, officer or Executive Director of the Issuer) and the Trustee harmless from: (i) any liability for any loss or damage to property or any injury to, or death of, any person that may be occasioned by any cause whatsoever pertaining to the Project, or (ii) any liabilities, losses or damages, or claims therefor, arising out of the failure, or claimed failure, of the Company to comply with its covenants contained in this Agreement, including, in each such case, any attorneys' fees. The Company agrees to indemnify and hold the Issuer (including any person at any time serving as a member, officer or Executive Director of the Issuer) and the Trustee harmless to the fullest extent permitted by law from any losses, costs, charges, expenses (including attorneys' fees), judgments and liabilities incurred by it or them, as the case may be, in connection with any action, suit or proceeding instituted or threatened in connection with the transactions contemplated by this Agreement; provided, however, that such indemnification shall not extend to any such losses, costs, charges, expenses, judgments or liabilities arising out of or based upon any untrue statement or material omission contained under the heading "The Authority" in official statements or preliminary official statements (as both may be amended from time to time) utilized in connection with the offering for sale of the Bonds. If any such claim is asserted, the Issuer, any individual indemnified herein or the Trustee, as the case may be, will give prompt notice to the Company and the Company will assume the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion, it being understood that neither the Trustee, the Issuer nor any indemnified individual will settle or consent to the settlement of the same without the written consent of the Company. The obligation of the parties under this Section 5.4 shall survive the termination of this Agreement.

The Company agrees to pay to, or on behalf of, the Issuer such reasonable costs and expenses, including legal fees, as may be incurred by the Issuer in performing its covenants under this Agreement and under the Indenture to the extent not paid from the proceeds of any Bonds.

The Issuer agrees that any annual service fee which it may at any time by statute be authorized to charge the Company shall be limited to actual and reasonably incurred expenses of the Issuer, including any expenses related to accounting, legal or other services to be performed for the Issuer, in connection with the Bonds and any documentation underlying the issuance of the Bonds to which the Issuer is a party.

Section 5.5. Records and Financial Statements. The Company shall furnish to the Issuer and the Trustee (after the close of each of the Company's fiscal years) a copy of the Company's annual report on Form 10-K under the Securities Exchange Act of 1934, promptly after such report is available or other comparable data if the Company is no longer required to file such Form 10-K.

Section 5.6. Tax-Exempt Status of the Bonds. The Company covenants and agrees that it has not taken or permitted and will not take or permit, and the Issuer covenants and agrees that it has not taken and will not take, any action which results in interest paid on the Bonds being included in the gross income of the holders of such Bonds (other than a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) or Section 103(b)(6)(C), respectively, of the Code) for purposes of federal income taxation; provided, however, that such covenant and agreement shall not require either the Company or the Issuer to enter an appearance in or intervene in any administrative, legislative or judicial proceeding in connection with any changes in applicable laws, rules or regulations, or decisions of any court or administrative agency or other governmental body affecting the taxation of interest on the Bonds.

The Company covenants and agrees to notify the Trustee and the Issuer of the occurrence of any event of which the Company has notice and which event would require the Company to prepay the indebtedness hereunder in accordance with Section 7.2 hereof.

Section 5.7. Operation of Project. The Company agrees that, subject to the force majeure provisions of Section 6.1 hereof, it will commence operation of the Project. The Company intends to operate all components of the Project during their useful lives during the term of this Agreement but reserves the right to discontinue operation of any component of the Project if such component becomes obsolete or damaged or the Company, in its discretion, determines it to be in its best

interests to discontinue operation of such component of the Project. The Company further agrees that the Project and all components thereof during their useful lives shall at all times during the term of this Agreement be (i) geographically located in the State of Illinois, and (ii) used exclusively for the purposes set forth in Section 2.2(c) hereof.

The Company will not discontinue operation of a substantial component of the Project during the useful life of such component of the Project for longer than twelve months during the term of this Agreement unless in the written opinion of Bond Counsel, such discontinuance of operation would not impair the exemption of interest on the Bonds from Federal income taxation.

Section 5.8. Redemption of Bonds. If the Company is not in default in the payments under Section 4.2 hereof, the Issuer, upon reasonable assurance from the Company that the Company shall make sufficient funds available, at the request at any time of the Company and if the same are then callable, shall forthwith take all steps that may be necessary under the provisions of the Indenture to effect redemption of all or part of the then outstanding Bonds, as may be specified by the Company, on the earliest redemption date on which such redemption may be made under such applicable provisions.

Section 5.9. Assignment. This Agreement may be assigned in whole or in part by the Company without the necessity of obtaining the consent of either the Issuer or the Trustee, subject however, to each of the following conditions:

(a) No assignment (other than pursuant to Section 5.3 hereof) shall relieve the Company from liability for any of its obligations hereunder in the event that its assignee does not perform, and in the event of any such assignment the Company shall continue to remain primarily liable for payment of the amounts specified in Section 4.2 hereof and for performance and observance of the other covenants, warranties, representations and agreements on its part herein provided to be performed and observed to the same extent as though no assignment had been made;

(b) The assignee shall assume, in writing, the obligations of the Company hereunder to the extent of the interest assigned; and



(c) The Company shall, at least five days prior to any such assignment, provide the Issuer and the Trustee with written notice thereof and within five days after any such event, furnish or cause to be furnished to the Issuer and to the Trustee a true and complete copy of such assignment and two executed counterparts of an assumption of obligations agreement.

Section 5.10. Taxes and Governmental Charges. The Company will promptly pay, as the same become due, all lawful taxes, assessments and governmental charges of any kind whatsoever including, without limitation, income, profits, property and excise taxes levied or assessed by Federal, state or any municipal government upon the Issuer with respect to the Project or any part thereof or any payments under this Agreement. The Issuer agrees to give the Company prompt notice of any such assessments or governmental charges.

The Company may, at its expense and in its own name and behalf or in the name and behalf of the Issuer, if it is a necessary party thereto, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom, provided during such period enforcement of any such contested item shall be effectively stayed. The Issuer, at the expense of the Company, will cooperate fully with the Company in any such contest.

Section 5.11. Certificate of the Company as to Compliance with the Agreement. The Company will deliver to the Trustee and the Issuer, within 120 days after the end of each fiscal year of the Company, a written statement signed by the Chairman of the Board, the President or any Vice President of the Company and by the Treasurer, any Assistant Treasurer or the Controller of the Company, stating as to each signer thereof that:

1. A review of the activities of the Company during each year and of performance under this Agreement has been made under his supervision; and

2. To the best of his knowledge based upon such review:

(a) The Company has fulfilled all of its obligations under this Agreement throughout such year or if there has been a breach in the fulfillment of any such obligations, specifying each such default known to him and the nature and status thereof; and

(b) No event has occurred and is continuing which is an event of default or which after notice or lapse of time or both, would become an event of default, as defined herein, or, if such event of default has occurred and is continuing, specifying each such event of default known to him and the nature and status thereof.

#### ARTICLE VI

##### Events of Default and Remedies

Section 6.1. Events of Default Defined. The following shall be "events of default" under this Agreement and the terms "event of default" or "default" shall mean, whenever they are used in this Agreement any one or more of the following events:

(a) Failure by the Company to pay the amounts required to be paid under Section 4.2(a) hereof at the times specified therein.

(b) Failure by the Company to pay the amounts required to be paid under Section 4.2(b) hereof at the times specified therein.

(c) Any material breach by the Company of any representation or warranty made in this Agreement or failure by the Company to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsections (a) or (b) of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied, given to the Company by the Trustee or the Issuer, unless (i) the Trustee and the Issuer shall agree in writing to an extension of such time prior to its expiration or (ii) if the default be such that it cannot be corrected within the applicable period, corrective action is

instituted by the Company within the applicable period and diligently pursued until the default is corrected.

(d) The dissolution or liquidation of the Company; or the filing by the Company of a voluntary petition in bankruptcy; or failure by the Company promptly to forestall or remove any execution, garnishment or attachment of such consequence as will impair its ability to continue its business or fulfill its obligations hereunder; or the entry of an order for relief under Title 11 of the United States Code, as the same may from time to time be hereinafter amended, against the Company; or the filing of a petition or answer proposing the entry of an order for relief against the Company under Title 11 of the United States Code, as the same may from time to time be hereinafter amended, or the reorganization, arrangement or debt readjustment of the Company under any present or future federal bankruptcy act or any similar federal or state law in any court and the failure of said petition or answer to be discharged or denied within 90 days after the filing thereof; or the appointment of a custodian (including without limitation a receiver, trustee or liquidator of the Company) of all or a substantial part of the property of the Company, and the failure of such a custodian to be discharged within 90 days after such appointment; or the taking by such a custodian of possession of the Company or a substantial part of its property, and the failure of such taking to be discharged within 90 days after such taking; or the Company's consent to or acquiescence in such appointment or taking; or assignment by the Company for the benefit of its creditors; or the entry by the Company into an agreement of composition with its creditors. The term "dissolution or liquidation of the Company", as used in this subsection, shall not be construed to include the cessation of the corporate existence of the Company resulting either from a merger or consolidation of the Company into or with another corporation or a dissolution or liquidation of the Company following a transfer of all or substantially all of its assets as an entirety, under the conditions permitting such actions contained in Section 5.3 hereof.

The foregoing provisions of subsection 6.1(c) hereof are subject to the following limitations: If by reason of force majeure the Company is unable in whole or in part to carry out its agreements on its part herein contained other than the obligations on the part of the Company contained in Section 4.2 and Section 5.4 hereof the Company shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States or of Illinois or any of their departments, agencies, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission lines, pipes or canals; partial or entire failure of utilities; failure of suppliers; or any other cause or event not reasonably within the control of the Company. The Company agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the Company from carrying out its agreements; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Company and the Company shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Company unfavorable to the Company.

Section 6.2. Remedies on Default. Whenever any event of default referred to in Section 6.1 hereof shall have happened and be continuing, the Trustee or the Issuer, as the case may be, may take any one or more of the following remedial steps:

(a) The Trustee as assignee of the Issuer may declare all unpaid indebtedness hereunder to be immediately due and payable, whereupon the same shall become immediately due and payable. The term "all unpaid indebtedness" shall mean an amount equal to the principal of all Bonds then outstanding and interest accrued thereon and to accrue thereon to the date of receipt by the Trustee of such moneys, and other payments due or to become due hereunder, including without limitation, any unpaid fees and expenses of the Trustee and paying agents, if any, of the Bonds which are then or will become due prior to the time that the Bonds are paid in full.

(b) In the event any of the Bonds shall at the time be outstanding and unpaid, the Issuer and the Trustee may have access to, and inspect, examine and make copies of, the books and records and any and all accounts, data and income tax and other tax returns of the Company as the Issuer or the Trustee may reasonably request. Information contained in the books, records, accounts and tax returns shall be considered proprietary and shall not be disclosed by the Issuer or the Trustee except as required by law.

(c) The Trustee as assignee of the Issuer or the Issuer, without the consent of the Trustee, but only after written notice to the Trustee, may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance of any obligation, agreement or covenant of the Company set forth in Sections 3.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.9, 5.10, 5.11, 6.4 and 8.8 hereof; provided that the Issuer may not, without the consent of the Trustee, terminate this Agreement, cause all unpaid indebtedness to become due and payable hereunder or cause the Trustee to declare the principal of all Bonds then outstanding and the interest accrued thereon to be immediately due and payable.

When the Issuer takes any action as aforesaid, it shall furnish written notification thereof to the Company.

Any amounts collected pursuant to action taken under this Section, other than under subsection 6.2(c) hereof, shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture or, if the Bonds have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture), to the Company. Any amounts collected pursuant to action taken under subsection 6.2(c) hereof shall be paid as the Issuer shall direct.

Section 6.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing

upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given the Issuer hereunder shall also extend to the Trustee, and the Trustee and the holders of the Bonds, subject to the provisions of the Indenture, shall be entitled to the benefit of all covenants and agreements herein contained.

Section 6.4. Agreement to Pay Attorneys' Fees and Expenses. In the event the Company should default under any of the provisions of this Agreement and the Issuer or the Trustee should employ attorneys or incur other expenses for the collection of the indebtedness hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Company herein contained, the Company agrees that it will on demand therefor pay to the Trustee, the Issuer or, if so directed by the Issuer, to the attorneys for the Issuer the reasonable fees of such attorneys and such other reasonable expenses so incurred by or on behalf of the Issuer or the Trustee.

Section 6.5. No Additional Waiver Implied by One Waiver; Consents to Waivers. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be effective unless in writing and signed by the party making the waiver. The Issuer shall have no power to waive any default hereunder by the Company without the consent of the Trustee to such waiver. Notwithstanding the foregoing, if, after the acceleration of the maturity of the outstanding Bonds by the Trustee pursuant to Section 902 of the Indenture, all arrears of interest on the outstanding Bonds and interest on overdue installments of interest (to the extent permitted by law) at a rate per annum which is equal to the rate per annum borne by the Bonds in respect of which such default shall have occurred and the principal and premium (if any) on all Bonds then outstanding which have become due and payable otherwise than by acceleration, and all other sums payable under the Indenture, except the principal of and the interest on such Bonds which by such acceleration shall have become due and payable, shall have been paid, all other things shall have been performed in

respect of which there was a default, there shall have been paid the reasonable fees and expenses of the Trustee and of the holders of such Bonds, including reasonable attorneys' fees paid or incurred and such event of default under the Indenture shall be waived by the Trustee with the consequence that under Section 902 of the Indenture such acceleration is rescinded, then the Company's default hereunder shall be deemed to have been waived by the Issuer and no further action in accordance with the Indenture or consent by the Trustee or the Issuer shall be required.

## ARTICLE VII

### Prepayment

Section 7.1. Option to Prepay. The Company shall have and is hereby granted the option to prepay the indebtedness hereunder in whole or in part at any time and from time to time. At the written direction of the Authorized Company Representative such prepayments shall be applied to the redemption of the Bonds in whole or in part in accordance with Section 701 of the Indenture or to provide for payment of the Bonds in accordance with Article XIII of the Indenture. In the case of such prepayment in whole, the amount to be prepaid will be a sum sufficient, together with other funds available for such purpose, to redeem all Bonds then outstanding in accordance with Section 701 of the Indenture or to provide for the payment of the Bonds in accordance with Article XIII of the Indenture, and in either case to pay the Trustee's and paying agents' fees and expenses accrued and to accrue through final payment and redemption of the Bonds.

Section 7.2. Obligation to Prepay. The Company covenants and agrees that if all or any part of the Bonds are called for redemption, including without limitation, if Bonds are called for redemption in accordance with the second paragraph of Section 701 of the Indenture, it will prepay the indebtedness hereunder in whole or in part in an amount sufficient to redeem such Bonds on the date fixed for the redemption of the Bonds. In the case of such prepayment in whole, the amount to be prepaid will be a sum sufficient, together with other funds available for such purpose, to redeem all Bonds then outstanding and to pay the Trustee's and paying agents' fees and expenses accrued and to accrue through final payment and redemption of the Bonds.

Section 7.3. Relative Position of Options and Indenture. The options respectively granted to the Company in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not the Company is in default hereunder, provided that such default will not result in nonfulfillment of any condition to the exercise of any such option.

## ARTICLE VIII

### Miscellaneous

Section 8.1. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Company and their respective successors and assigns, subject, however, to the limitations contained in Section 5.3 and Section 5.9 hereof.

Section 8.2. Execution Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 8.3. Amendments, Changes and Modifications. Subsequent to the initial issuance of the Bonds and prior to payment or provision for the payment of the Bonds in full (including interest and premium, if any, thereon) in accordance with the provisions of the Indenture, this Agreement may not be amended, changed, modified, altered or terminated except as provided in Article XII of the Indenture.

Section 8.4. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 8.5. Exemption from Personal Liability.  
(a) No recourse under or upon any obligation, covenant or agreement created by this Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any incorporator, stockholder, director, officer or employee, as such, past, present or future, of the Company or of any predecessor or successor corporation, either directly or through the Company, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Agreement is solely a corporate obligation, and that no such



personal liability whatever shall attach to, or is or shall be incurred by, the incorporators, stockholders, directors, officers or employees, as such, of the Company or of any predecessor or successor corporation, or any of them, under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom; and that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such incorporator, stockholder, director, officer or employee, as such, under or by reason of the obligations, covenants or agreements contained in this Agreement, or implied therefrom, are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Agreement.

(b) No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained herein or in the Indenture, against any past, present or future member, director, officer, employee or agent of the Issuer, or through the Issuer, or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, director, officer, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of this Agreement, the Indenture and the issuance of any of the Bonds.

Section 8.6. Amounts Remaining in Bond Fund. Any amounts remaining in the Bond Fund after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture), and the reasonable fees, charges and expenses of the Issuer, the Trustee and any paying agent and all other amounts required to be paid under this Agreement and the Indenture shall be paid to the Company by the Trustee as overpayment of the indebtedness hereunder.

Section 8.7. Notices. All notices, certificates and other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows: If to the Issuer, at 100 North LaSalle Street, Room 1903, Chicago, Illinois 60602, Attention: Executive Director; if to the Company at 900 Jorie Boulevard, Oak Brook, Illinois 60521, Attention: General Counsel; if to the Trustee, at 231 South LaSalle Street, Chicago, Illinois

60693, Attention: Corporate Trust Department. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or the Company to the other shall also be given to the Trustee. The Issuer, the Company and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 8.8. Further Assurances. The Company agrees and undertakes to perform any and all obligations of the Company and the Issuer under and pursuant to Section 804 of the Indenture.

Section 8.9. Applicable Law. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Illinois, including those laws applicable to contracts made and to be performed in such state.

Section 8.10. Term of the Agreement. This Agreement shall be in full force and effect from its date to and including such date as all of the Bonds issued under the Indenture shall have been fully paid or retired (or provision for such payment shall have been made as provided in the Indenture).

IN WITNESS WHEREOF, the Issuer and the Company have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be

hereunto affixed and attested by their duly authorized officers,  
all as of the date first above written.

ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

By \_\_\_\_\_  
Chairman

(SEAL)

Attest:

\_\_\_\_\_  
Secretary

WASTE MANAGEMENT, INC.

By \_\_\_\_\_  
Its \_\_\_\_\_ Vice President

(SEAL)

Attest:

\_\_\_\_\_  
Its \_\_\_\_\_ Secretary

Exhibit A to the Loan Agreement dated as of September 1, 1980, between the Illinois Environmental Facilities Financing Authority and Waste Management, Inc.

PROJECT DESCRIPTION

	<u>Unit Cost</u>
<u>TRUCKS AND TRAILERS</u>	
<u>Front-end loading collection truck chassis and bodies.</u> Used in industrial and commercial collection, in conjunction with containers up to 8 yards in size.	\$60,000 to \$72,000
<u>Roll-off loading collection chassis, and hoisting frame</u> used to transport containers up to 50 yards in size and are used principally in industrial collection.	\$48,000 to \$60,000
<u>Rear-end loading collection truck chassis and bodies.</u> Used in both residential and commercial collection, often in conjunction with containers up to 8 yards in size.	\$45,000 to \$58,000
<u>Side-loading collection truck chassis and bodies.</u> Used for commercial collections, often in conjunction with containers up to 4 yards in size.	\$52,000 to \$65,000
<u>Transfer station trailers.</u> Used for transporting refuse from a transfer station to a final disposal site.	\$26,000 to \$33,000
<u>Tractors.</u> Used for pulling transfer station trailers.	\$35,000 to \$45,000
<u>Dump trucks.</u> Used for "one-time" bulky loads.	Various
<u>Support Vehicles.</u> This category includes pick-up trucks, wreckers, vans, container delivery trucks and supervisors' vehicles which are used for maintenance, delivery and other functions in support of the	\$ 6,000 to \$31,000

solid waste collection and disposal operations.

Total Cost of Trucks and Trailers \$7,100,000

#### CONTAINERS

The containers proposed to be acquired will range in size from 1 to 45 cubic yards. Such containers will be generally placed at the premises of industrial and commercial customers for use as a depository for solid waste. Trucks (see Trucks and Trailers) periodically collect this waste in such containers and replace them with empty containers. \$ 300 to \$ 7,000

Total Cost of Containers \$4,700,000

#### COMPACTORS

The compactors proposed to be acquired will range in size from 1/2 to 50 cubic yards. Generally, these are placed on the premises of industrial and commercial customers for use as a depository for solid waste and to further compact the solid waste prior to collection. They are also used at transfer stations. \$2,200 to \$19,000

Total Cost of Compactors \$ 700,000

#### LANDFILL EQUIPMENT

Landfill equipment includes principally the following types:

Tractor scrapers. These are vehicles with a scraper blade across the bottom and are used to transport and/or to spread solid waste materials and cover materials over the sanitary landfill site. \$150,000 to \$280,000

Bulldozers. Vehicles with blades or buckets across their front which are used to spread solid waste materials and cover materials over the sanitary landfill site. \$138,000 to \$230,000

Landfill compactors. Special purpose motorized vehicles which serve to break up and compact solid waste. \$100,000 to \$150,000

Dragline Crane. A crane equipped with a bucket used to excavate trenches in the landfill for deposit of wastes. May also be used to excavate and place cover material on the refuse after placement in the trench and compaction is completed. \$245,000

Special Purpose Equipment. Road grader, water wagons, road sweeper, weight scales, construction pumps, air compressor, steam cleaners and portable fences. \$40,000 to \$180,000

Total Cost of Landfill Equipment \$ 7,200,000

LAND FOR LANDFILLS AND IMPROVEMENTS \$ 4,500,000

BUILDINGS, BUILDING IMPROVEMENTS AND BUILDING EQUIPMENT \$ 300,000

TOTAL COST OF THE PROJECT \$ 24,500,000

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828-7934  
LARRY HACKETT  
CONT. BANK.  
(BDE JALA)

**NEW ISSUE**

Moody's: A  
Standard & Poor's: A  
(See "Ratings" herein)

*In the opinion of Chapman and Cutler, Bond Counsel, interest on the Series 1980 Bonds will be exempt from present Federal income taxes under existing statutes, court decisions, regulations and rulings, except when the Series 1980 Bonds are held by a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) and Section 103(b)(6)(C) of the Internal Revenue Code of 1954, as amended, respectively*

**OFFICIAL STATEMENT**

**\$25,000,000**

**ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY**

**Solid Waste Disposal Revenue Bonds  
(Waste Management, Inc. Project) Series 1980**

The Series 1980 Bonds will be issued to provide funds to finance the costs of the Project consisting of solid waste disposal facilities. The Project is not security for the Series 1980 Bonds. The Series 1980 Bonds will be limited obligations of the Illinois Environmental Facilities Financing Authority and, except to the extent payable out of Series 1980 Bond proceeds or income from temporary investment thereof, will be payable solely from and secured by a pledge of the revenues derived by the Authority under a Loan Agreement between the Authority and



**WASTE MANAGEMENT, INC.**

Interest on the Series 1980 Bonds will be payable on March 1, 1981 and thereafter semi-annually on March 1 and September 1 of each year. Principal and interest are payable at the principal office of Continental Illinois National Bank and Trust Company of Chicago, the Trustee and Paying Agent, in Chicago, Illinois. The Series 1980 Bonds will be issuable as coupon bonds in the denomination of \$5,000, registrable as to principal only, and as fully registered bonds without coupons in the denomination of \$5,000 and any integral multiple thereof. The Series 1980 Bonds will be subject to redemption prior to maturity as more fully described herein.

**7% % Bonds due September 1, 1983**

**Price 100%**

**(Plus accrued interest from September 1, 1980)**

*The Series 1980 Bonds are offered by the several Underwriters subject to prior sale when, as and if issued by the Authority and accepted by the several Underwriters, subject to the approval of legality by Chapman and Cutler, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for Waste Management, Inc. by Bell, Boyd, Lloyd, Haddad & Burns, for the Authority by Hopkins, Sutter, Mulroy, Davis & Cromartie and for the Underwriters by Mayer, Brown & Platt. It is expected that delivery of the Series 1980 Bonds will be made in Chicago, Illinois on or about September 30, 1980.*

**Merrill Lynch White Weld Capital Markets Group**  
Merrill Lynch, Pierce, Fenner & Smith Incorporated

**Kidder, Peabody & Co. Incorporated**

September 12, 1980

### SUMMARY INFORMATION

The following is a summary of certain pertinent information contained in this Official Statement and Appendix hereto. It is subject in all respects to more complete information contained herein. Certain capitalized terms used in this summary are defined elsewhere in this Official Statement.

#### THE OFFERING

Securities Offered .....	\$25,000,000 Solid Waste Disposal Revenue Bonds (Waste Management, Inc. Project) Series 1980 dated September 1, 1980 of the Illinois Environmental Facilities Financing Authority.
Maturity .....	September 1, 1983.
Interest Rate .....	7 $\frac{3}{8}$ % per annum, payable March 1, and September 1, commencing March 1, 1981.
Purpose of Issue .....	The net proceeds from the sale are to be used to finance the construction, acquisition and installation of the Project (see below).
Sources of Funds for Payment of Series 1980 Bonds .....	The Series 1980 Bonds are payable solely from revenues derived by the Authority from payments under a Loan Agreement to be made by Waste Management, Inc. The Project is not security for the Series 1980 Bonds.

#### THE ISSUER

The Authority is a body politic and corporate and a public instrumentality of the State of Illinois. *The Authority has no power of taxation and the Series 1980 Bonds are payable solely as provided in the Loan Agreement and the Indenture*

#### THE PROJECT

The Project consists of certain solid waste disposal facilities, primarily vehicles, machinery and equipment to abate and control pollution caused by solid waste. The Project also includes land for landfills. The Project will be utilized in the collection, storage, transportation, processing and final disposal of commercial, industrial and residential solid waste by Waste Management, Inc. or one of its wholly-owned subsidiaries.

#### THE COMPANY

##### Business

Waste Management, Inc. is engaged primarily in the waste management business in twenty-seven states, Canada, Saudi Arabia and Argentina. Waste Management's North American operations include integrated solid and chemical waste management services consisting of storage and collection, transfer, interim processing and disposal. It is developing solid and chemical waste resource recovery operations where economically feasible. A joint venture in which a wholly-owned subsidiary of Waste Management has a 60% interest has entered into a contract pursuant to which it has developed and is providing waste collection and disposal and street cleaning services for the City of Riyadh, Saudi Arabia. A corporation in which another wholly-owned subsidiary of Waste Management has a 60% interest has entered into a contract pursuant to which it is collecting solid wastes and cleaning streets in an area of the Federal District in the City of Buenos Aires, Argentina having a population of approximately 2,000,000.

##### Summary of Financial Data

(See "Appendix—Summary Financial Information").

	Year Ended December 31					Six Months Ended June 30	
	1975	1976	1977	1978	1979	1979	1980
						(Unaudited)	
Revenue .....	\$161,363	\$183,350	\$230,346	\$307,112	\$381,522	\$178,958	\$249,120
Net income for the period .....	\$ 9,005	\$ 11,766	\$ 18,581	\$ 27,429	\$ 36,725	\$ 17,383	\$ 24,175
Ratio of earnings to fixed charges .....	2.98	3.92	6.31	8.81	9.87	10.48	8.23
						June 30, 1980	
						Outstanding(1) As Adjusted	
						(Unaudited)	
Capitalization							
Long-term debt (exclusive of current portion) .....						\$101,139	\$ 95,532
Stockholders' equity .....						226,710	272,691
Total Capitalization .....						\$327,849	\$368,223

(1) Except for bank borrowing under informal arrangements which are as of September 5, 1980.



**\$25,000,000**

**ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY**

**Solid Waste Disposal Revenue Bonds  
(Waste Management, Inc. Project)  
Series 1980**

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**INTRODUCTION**

ILLINOIS ENVIRONMENTAL FACILITIES FINANCING AUTHORITY (the "Authority") proposes to issue the bonds (the "Series 1980 Bonds") identified on the cover page of this Official Statement in order to finance certain solid waste disposal facilities (the "Project") described below. The Series 1980 Bonds will be issued under an Indenture of Trust (the "Indenture") dated as of September 1, 1980 between the Authority and the Trustee identified below. The Series 1980 Bonds, and any additional bonds which may be issued under the Indenture (the "Additional Bonds"), are hereinafter referred to collectively as the "Bonds".

Waste Management, Inc., a Delaware corporation ("Waste Management"), and the Authority will enter into a Loan Agreement (the "Agreement") dated as of September 1, 1980 pursuant to which the Authority will loan the proceeds from the sale of the Series 1980 Bonds to Waste Management in order to finance the acquisition or construction of the Project and Waste Management will be unconditionally obligated to repay the loan at the times specified in such amounts as will be sufficient to pay the principal of, premium, if any, and interest on, the Series 1980 Bonds.

The Series 1980 Bonds will be limited obligations of the Authority, payable solely from revenues derived by the Authority from the payments to be made by Waste Management under the Agreement, and certain other moneys held by the Trustee for such purpose. Waste Management has agreed to make payments under the Agreement in amounts sufficient to pay the principal of, premium, if any, and interest on, the Series 1980 Bonds when due. The Series 1980 Bonds will not be general obligations of the Authority and will not constitute a debt or liability of the State of Illinois or any political subdivision thereof, and neither such State nor any political subdivision thereof will be liable on the Series 1980 Bonds nor will the Series 1980 Bonds be payable out of any funds other than those pledged under the Indenture. The issuance of the Series 1980 Bonds will not directly or indirectly or contingently obligate the Authority, the State of Illinois or any political subdivision of the State to levy any form of taxation therefor or to make any appropriation for their payment. The Project is not security for the Series 1980 Bonds.

Brief descriptions of the Authority, the Project, Use of Proceeds, the Series 1980 Bonds, the Agreement and the Indenture are included in this Official Statement. The Appendix to this Official Statement sets forth or incorporates by reference certain information concerning Waste Management, which information and the description of the Project and the Use of Proceeds in this Official Statement have been furnished by Waste Management. None of the information in this Official Statement and the Appendix supplied by Waste Management is to be construed as a representation by the Authority (other than the information under "The Authority"), the Underwriters or any party other than Waste Management. All references herein to the Agreement and the Indenture are qualified in their entirety by references to such documents, and references herein to the Series 1980 Bonds are qualified in their

entirety by reference to the forms thereof included in the Indenture and the information with respect thereto included in the aforesaid documents. However, the information contained under the headings "The Authority," "The Series 1980 Bonds," "Redemption of Series 1980 Bonds Before Maturity," "The Agreement," "The Indenture" and "Tax Exemption" has been reviewed by Chapuran and Cutler, Bond Counsel, who are of the opinion that such information constitutes fair summaries of the matters contained therein. All of the documents referred to in this Official Statement are available for inspection at the principal office of the Trustee. During the period of the offering all such documents will be available at the principal offices of the Representatives of the Underwriters in Chicago, Illinois, and New York, New York.

#### THE AUTHORITY

The Authority is a body politic and corporate and a public instrumentality of the State of Illinois duly organized and existing under the Illinois Environmental Facilities Financing Act, Illinois Revised Statutes, 1979, Chapter 127, Section 721 *et seq.*, as amended (the "Act"). Pursuant to the Act, the Authority is empowered to finance the acquisition, construction and installation of environmental facilities (including solid waste disposal facilities).

#### THE PROJECT

The Project consists of certain solid waste disposal facilities, primarily vehicles, machinery and equipment to abate and control pollution caused by solid waste. In addition, the Project includes land for landfills. The Project includes various types of specially equipped trucks, steel solid waste containers designed to be lifted and emptied mechanically, stationary compaction equipment and equipment to be used at various landfill sites. The Project will be utilized in the collection, storage, transportation, processing and final disposal of commercial, industrial and residential solid waste by Waste Management or one of its wholly-owned subsidiaries in the State of Illinois, including locations in Champaign, Cook, DuPage, Kankakee, Kane, Kendall, Lake, McHenry, Tazewell and Will Counties.

#### USE OF PROCEEDS

Waste Management estimates that the proceeds from the sale of the Series 1980 Bonds will be used approximately as follows:

Land for landfills and improvements .....	\$ 4,500,000
Buildings .....	300,000
Landfill equipment .....	7,200,000
Trucks .....	7,100,000
Containers .....	4,700,000
Compactors .....	700,000
Financing, legal, printing and other costs of issuance (including underwriting discount) .....	500,000
Total .....	<u>\$25,000,000</u>

Immediately after delivery of the Series 1980 Bonds, Waste Management intends to seek reimbursement for \$15 million of Project costs already incurred. (See "Appendix—Summary Financial Information—Capitalization").

#### THE SERIES 1980 BONDS

Dated:	September 1, 1980
Maturity:	September 1, 1983
Interest Rate:	7 $\frac{3}{8}$ % per annum, payable on March 1 and September 1 of each year commencing March 1, 1981
Trustee, Paying Agent and Registrar:	Continental Illinois National Bank and Trust Company of Chicago

The Series 1980 Bonds will be issuable as coupon bonds in the denomination of \$5,000 each, registrable as to principal only, and as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. Coupon Series 1980 Bonds may be exchanged for fully registered Series 1980 Bonds without coupons. Fully registered Series 1980 Bonds may similarly be exchanged for Coupon Series 1980 Bonds. No charge will be made for any transfer or exchange, provided that any tax or other governmental charge applicable in connection therewith must be paid as a condition to the exercise of such privilege. In the event any Bond is mutilated, lost, stolen, or destroyed, the Authority may execute and the Trustee may authenticate a new Bond in accordance with the provision therefor in the Indenture. The Authority and the Trustee may charge the holder or owner of such Bond with their reasonable fees and expenses in this connection.

#### **REDEMPTION OF SERIES 1980 BONDS BEFORE MATURITY**

**Optional Redemption.** The Series 1980 Bonds are subject to redemption by the Authority at the option of Waste Management prior to maturity on any date after August 31, 1981, in whole or in part by lot in such manner as may be designated by the Trustee, at a redemption price equal to 100.5% of the principal amount thereof from September 1, 1981 through August 31, 1982 and at a redemption price equal to 100% of the principal amount thereof thereafter, plus in each case accrued interest to the redemption date.

**Extraordinary Optional Redemption.** The Series 1980 Bonds will be subject to redemption by the Authority, at the option of Waste Management, at any time at 100% of the principal amount thereof, plus accrued interest to the redemption date upon receipt by the Trustee of a written notice from Waste Management stating that any of the following events has occurred within the preceding 120 days and that it intends to exercise its option to make prepayment under the Agreement and thereby effect the redemption of the Series 1980 Bonds in whole or in part:

(1) any portion of the Project the original cost of which is equal to or greater than \$500,000 shall have been damaged or destroyed; or

(2) any portion of the Project the original cost of which is equal to or greater than \$500,000 shall have been condemned or the use or control thereof shall have been taken by eminent domain so as to render such portion of the Project unsatisfactory to Waste Management for its continued operation; or

(3) in the opinion of Waste Management, changes in the economic availability of materials, labor, supplies, equipment, facilities or things necessary for the operation of any portion of the Project the original cost of which is equal to or greater than \$500,000 shall have occurred or such technological or other changes shall have occurred which render such portion of the Project uneconomical for the purpose for which it was intended; or

(4) as a result of any changes in the Constitution of the State of Illinois or the Constitution of the United States of America or by legislative or administrative action (whether State or Federal) or by final decree, judgment or order of any court or administrative body (whether State or Federal), the Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement, or unreasonable burdens or excessive liabilities shall have been imposed on the Authority or Waste Management with respect to the Project including, without limitation, Federal, State or other ad valorem, property, income or other taxes not being imposed on the date of the Agreement.

If any event described in (1), (2), or (3) gives rise to Waste Management's exercise of its option to cause an extraordinary optional redemption, the principal amount of the Series 1980 Bonds to be redeemed shall be no greater than the original cost of the portion of the Project affected by the event, and such redemption, if in part, shall be by lot. If the event described in (4) gives rise to Waste Management's exercise of its option to cause the redemption, the Series 1980 Bonds shall be redeemed as a whole.

**Extraordinary Mandatory Redemption.** The Series 1980 Bonds will be subject to redemption by the Authority at 100% of the principal amount thereof, plus accrued interest to the redemption date, in whole, or in part as hereinafter described, on any interest payment date not less than 90 nor more than 270 days after any occurrence of the following event, upon obligatory prepayment by Waste Management of all or part of the indebtedness due or to become due under the Agreement, in the event of a final determination by the Internal Revenue Service or a court of competent jurisdiction as a result of a proceeding in which Waste Management participates to the degree it deems sufficient, which determination Waste Management, in its discretion, does not contest by an appropriate proceeding, that, as a result of the failure by Waste Management to observe any covenant, agreement or representation by Waste Management in the Agreement, the interest payable on the Series 1980 Bonds or any of them is includable for Federal income tax purposes in the gross income of any holder of Series 1980 Bonds (other than a holder who is a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) and Section 103(b)(6)(C), respectively, of the Internal Revenue Code of 1954, as amended (the "Code"), and the applicable regulations thereunder). Upon any such occurrence the Series 1980 Bonds will be redeemed in whole unless redemption of a portion of the Series 1980 Bonds outstanding would have the result that interest payable on the Series 1980 Bonds remaining outstanding after such redemption will not be includable in the gross income of any holders of Series 1980 Bonds (other than a holder who is a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) and Section 103(b)(6)(C), respectively, of the Code, and the applicable regulations thereunder), in which event the Series 1980 Bonds shall be redeemed from time to time by lot in such amount as to accomplish that result.

**Notice of Redemption.** Notice of the call for any redemption, identifying the Bonds or portions thereof to be redeemed, will be given by publication in a newspaper or financial journal in English of general circulation in The City of New York and in the City of Chicago, customarily published each business day, not more than 60 and not less than 30 days prior to the redemption date. A copy of the redemption notice will be mailed by first class mail within the same period to the holders of Bonds to be redeemed in whole or in part registered as to principal (except to bearer) or fully registered and, if all of the Bonds to be redeemed are at the time registered as to principal (except to bearer) or fully registered, notice by first class mail shall be sufficient; provided, however, in either case that failure to give such notice by mailing, or any defect therein, will not affect the validity of any proceedings for the redemption of Bonds with respect to other Bondholders. After the redemption date, no further interest will accrue on Bonds called for redemption if the redemption price therefor has been deposited with the Trustee, and holders of such Bonds will have no rights in respect thereof except to receive payment of the redemption price and accrued interest to the redemption date.

**Additional Bonds.** Additional Bonds of series other than the Series 1980 Bonds may be issued in the sole discretion of the Authority upon the request of Waste Management pursuant to the terms of the Indenture to provide funds for one or more of the following purposes: (i) the costs of completing the Project or repairing or restoring the same, (ii) the costs of making such improvements in, on, or to the Project for the purpose of solid waste disposal or pollution control as are authorized by the statute under which the Bonds are issued as Waste Management may deem necessary or desirable, provided that such improvements do not materially impair the effective use of the Project, (iii) the costs of providing other solid waste disposal or pollution control facilities in conjunction with Waste Management's operations in the State of Illinois, (iv) the refunding, to the extent permitted by law and the Indenture, of all or any Bonds then outstanding under the Indenture, or (v) the costs of the issuance and sale of Additional Bonds and capitalized interest for such period and other costs reasonably related to the financing as shall be agreed upon by Waste Management and the Authority. Additional Bonds will be equally and ratably secured under the Indenture with the Series 1980 Bonds, without priority or distinction.

The Indenture provides that prior to issuing any Additional Bonds there must be filed with the Trustee an opinion of nationally recognized municipal Bond Counsel or a ruling of the Internal

Revenue Service to the effect that the issuance of such Additional Bonds will not result in the interest on the Series 1980 Bonds issued under the Indenture becoming includable in the gross income of the recipients thereof for Federal income tax purposes.

### **THE AGREEMENT**

The following is a brief summary of certain provisions of the Agreement and is qualified in its entirety by reference to such document.

**Acquisition and Completion of the Project.** Waste Management will agree that it will, or will cause one of its wholly-owned subsidiaries to, acquire, construct and install the Project in accordance with its specifications and directions.

The Authority is issuing the Series 1980 Bonds to provide funds to finance the costs of acquiring, constructing and installing the Project. From the proceeds of the Series 1980 Bonds, a sum equal to the accrued interest on the Series 1980 Bonds from September 1, 1980 to the date of delivery thereof will be deposited by the Trustee in the Bond Fund created by the Indenture and the balance of the proceeds to be received from the sale of the Series 1980 Bonds will be deposited and held by the Trustee in the Project Fund created by the Indenture.

The Trustee will make payments from the Project Fund to pay the costs of the Project, including the costs of issuing the Series 1980 Bonds, upon receipt from Waste Management of the requisitions described in the Agreement. The Authority and the Trustee may rely upon all statements made in any such requisition.

In the event moneys in the Project Fund are not sufficient to pay the full cost of the Project, Waste Management will pay the cost of completing the Project and will not be entitled to any reimbursement for the cost of the Project from the Authority (except from the proceeds of any Additional Bonds) or from the Trustee or from the holders of any of the Bonds; nor will Waste Management be entitled to any diminution of the amounts payable under the Agreement.

**Loan.** In order to finance the Project, the Authority will agree to loan the proceeds from the sale of the Bonds to Waste Management. To repay the loan, Waste Management will agree to make all payments when due under the Agreement. Waste Management will also agree to pay to the Trustee, as part of the payments under the Agreement, the reasonable fees, charges and expenses of the Trustee and any paying agent on the Bonds.

The payments required under the Agreement (except for payments in respect of indemnification, taxes and expenses of the Authority) will be pledged and assigned to the Trustee by the Authority and Waste Management's obligation to make such payments and to perform its other obligations under the Agreement will be absolute and unconditional and will not be subject to any defense (other than payment) or any right of set-off, counterclaim, abatement or otherwise and until such time as the Bonds have been fully paid or provision for their payment made in accordance with the provisions of the Indenture, Waste Management will not suspend the performance of its obligations under the Agreement for any cause, including failure by the Authority to perform any agreement, duty, liability or obligation under the Agreement. Waste Management will pay such amounts directly to the Trustee. In the event Waste Management fails to make any required payment, the obligation to make such payment will continue until the amount in default has been paid, together with interest thereon at the rate per annum borne by the Series 1980 Bonds or by any series of Additional Bonds in respect of which such default has occurred.

**Special Covenants.** Waste Management will agree that during the term of the Agreement it will maintain in good standing its corporate existence as a corporation organized under the laws of one of

the states of the United States or the District of Columbia and will remain duly qualified to do business in Illinois, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation; provided, that Waste Management may consolidate with or merge into another domestic corporation (i.e., a corporation (i) incorporated and existing under the laws of one of the states of the United States or the District of Columbia and qualified to do business in the State of Illinois as a foreign corporation or (ii) incorporated and existing under the laws of the State of Illinois), or sell or otherwise transfer to another domestic corporation all or substantially all of its assets as an entirety and thereafter dissolve, provided the resulting, surviving or transferee corporation irrevocably and unconditionally assumes and agrees in writing, by means of an instrument which is satisfactory to and delivered to the Authority and the Trustee, to perform all of the obligations of Waste Management under the Agreement.

Waste Management will covenant and agree that it has not taken or permitted and will not take or permit to be taken, and the Authority will covenant and agree that it has not taken and will not take, any action which results in the interest paid on the Bonds being included in the gross income of the holders of the Bonds for purposes of Federal income taxation.

**Special Arbitrage Covenants.** The Authority, to the extent it has any control over the use of Bond proceeds, and Waste Management will each covenant that it will not permit the investment of any of the proceeds of the Series 1980 Bonds (or the investment of any monies in the Project Fund, the Bond Fund or the escrow account required by the Agreement in the event that the Bond proceeds exceed the costs of the Project (the "Escrow Account")) which would result in such Bonds being considered "arbitrage bonds" for purposes of Section 103(c)(2) of the Code.

**Events of Default and Remedies.** The Agreement will provide that each of the following constitutes an event of default:

(1) Failure by Waste Management to pay the amounts required to be paid under the Agreement (relating to the payment of the principal of, premium, if any, and interest on, the Bonds) at the times specified in the Agreement.

(2) Any material breach by Waste Management of any representation or warranty made in the Agreement or failure by Waste Management to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in (1) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied, given to Waste Management by the Trustee or the Authority, unless (i) the Trustee and the Authority agree in writing to an extension of such time prior to its expiration or (ii) if the default be such that it cannot be corrected within the applicable period, corrective action is instituted by Waste Management within the applicable period and diligently pursued until the default is corrected.

(3) Certain events of bankruptcy, insolvency or reorganization involving Waste Management or failure by Waste Management to forestall or remove any execution, garnishment or attachment of such consequence as will impair its ability to carry out its obligations under the Agreement.

The obligations of Waste Management under (2) above may be suspended if by reason of acts of God, strikes or other catastrophes, defined as force majeure, Waste Management is unable to carry out such obligations.

Upon the happening and continuation of an event of default.

(1) the Trustee as assignee of the Authority may declare all the unpaid indebtedness payable under the Agreement (which shall include an amount equal to the principal of all Bonds then out-

standing, the interest accrued thereon and all other payments due or to become due under the Agreement) to be immediately due and payable, whereupon the same will become immediately due and payable; and

(2) the Trustee or the Authority will have access to, and inspect, examine and make copies of, the books and records and any and all accounts, data and income tax and other tax returns of Waste Management as either of them shall reasonably request; and

(3) the Trustee as assignee of the Authority or the Authority, without the consent of the Trustee but only after notice to the Trustee, may take whatever action at law or in equity as may appear necessary or desirable to enforce the performance and observance of certain of the obligations, agreements or covenants of Waste Management contained in the Agreement, except that no such action by the Authority will terminate the Agreement, cause the Bonds or the interest thereon to become due and payable or cause the Trustee to declare the principal of all Bonds outstanding and the interest accrued thereon to be immediately due and payable without the consent of the Trustee.

Any amounts collected pursuant to action taken upon the occurrence of an event of default shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture, except that any amounts collected by the Authority pursuant to action taken under (3) shall be paid as the Authority shall direct.

**Options and Obligations to Prepay: Amount of Prepayment.** Waste Management shall have the option to prepay the loan repayments under the Agreement upon the occurrence of any of the events, and to the extent, described under the caption "Redemption of Series 1980 Bonds before Maturity—Extraordinary Optional Redemption". Waste Management shall be obligated to prepay the amounts payable under the Agreement upon the occurrence of the event, and to the extent, described under the caption "Redemption of Series 1980 Bonds before Maturity—Extraordinary Mandatory Redemption". In the case of such a redemption the amount to be prepaid will be a sum sufficient, together with other funds available for such purpose, to:

(1) Redeem the Series 1980 Bonds in whole or in part at a price of par plus interest accrued and to accrue to the date of redemption and redemption expenses; and

(2) In case of such a redemption in whole, pay the Trustee's and any paying agents' fees and expenses accrued and to accrue through final payment and redemption of the Series 1980 Bonds.

Waste Management shall also have the option to prepay all or a portion of the amounts payable under the Agreement at any time, but the Series 1980 Bonds are not subject to optional redemption, upon the exercise of such option, prior to September 1, 1981. In the case of such an optional prepayment of all amounts payable under the Agreement, the amount to be prepaid will be a sum sufficient, together with other funds available for such purpose, to pay the amounts specified in (1), plus premium if any, and (2) of the preceding paragraph.

Waste Management may also effect prepayment by the deposit of Governmental Obligations (see "The Indenture—Amendment; Defeasance").

**Amendments.** The Authority and Waste Management will be authorized, without the consent of, or notice to, any of the bondholders but with the consent of the Trustee to enter into any amendment, change or modification of the Agreement as may be required (i) by the provisions of the Agreement or the Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) so as to add additional rights, remedies, powers, or authority, (iv) in connection with the issuance of Additional Bonds, (v) so as to more precisely identify the Project or substitute or add thereto other property, or (vi) in connection with any other change therein which, in the judgment of the Trustee, is not to the prejudice of the Trustee or the holders of the Bonds.

Except for the amendments outlined in (i) through (vi) above, neither the Authority nor Waste Management will enter into any other amendment, change or modification of the Agreement without publication of notice and the written approval or consent of the holders of not less than 66⅔% in aggregate principal amount of the Bonds then outstanding.

### THE INDENTURE

The following is a brief summary of certain provisions of the Indenture and is qualified in its entirety by reference to such document.

**Assignment.** The Indenture will contain an assignment to the Trustee of certain of the Authority's rights and interests under the Agreement, including the payments in respect of the loan indebtedness payable by Waste Management under the Agreement, for the equal and ratable benefit of all Bonds issued and to be issued under the Indenture, including the Series 1980 Bonds.

**Project Fund.** The Indenture will create a Project Fund into which will be deposited the proceeds from the sale of the Series 1980 Bonds, except for accrued interest which will be deposited in the Bond Fund. The Trustee will be authorized to make payments from the Project Fund to the extent permitted by the Act to pay costs of the Project, upon the receipt from Waste Management of requisitions setting out information required by the Agreement. In the event moneys in the Project Fund are not sufficient to pay the costs of the Project, in accordance with the Agreement, Waste Management agrees to pay moneys sufficient to pay such costs.

Upon completion of the Project, any balance in the Project Fund may be used, at the written direction of Waste Management, for the payment of any cost of the Project not then due and payable, or, if in the written opinion of Bond Counsel, such use will not impair the exemption from Federal income taxation of the interest on any of the Bonds (i) to pay all or part of the principal of and interest on Bonds coming due on or before the earliest possible redemption date or dates, (ii) to purchase Bonds for the purpose of cancellation, (iii) for the payment of the cost of any additional qualifying solid waste disposal or pollution control facilities approved by the Authority, (iv) for transfer to the Bond Fund, or (v) for any other purpose.

**Bond Fund.** All payments to be received by the Authority pursuant to the provisions of the Indenture and the Agreement (except for payment in respect of indemnification, taxes and expenses of the Authority) will be paid directly to the Trustee for deposit in the Bond Fund created by the Indenture. The Trustee will pay from the moneys in the Bond Fund available therefor the principal of, premium, if any, and interest on, the Bonds as and when due. Any amounts remaining in the Bond Fund after payment in full of the principal of, premium, if any, and interest on, the Bonds (or provision for payment thereof as provided in the Indenture), the fees, charges and expenses of the Authority, the Trustee and any paying agent, and all other amounts required to be paid under the Agreement and the Indenture, will be paid to Waste Management.

**Investment of Moneys.** All moneys held in the Bond Fund, the Project Fund or Escrow Account may be invested and reinvested by the Trustee, at the direction of Waste Management, as provided in the Indenture and the Agreement. Any interest accruing on, or profit realized from, or loss resulting from the investment of moneys in the Bond Fund, the Project Fund or the Escrow Account will be credited or charged, as may be appropriate, to such respective fund or account.

Waste Management will covenant not to direct the Trustee to make any investment the effect of which would be to make the Series 1980 Bonds "arbitrage bonds" under Section 103(c) of the Code.

**Amendment; Defeasance.** The Indenture will specify the terms upon which it may be amended, supplemented or modified. It also will specify the terms upon which Bonds issued thereunder may be



deemed paid prior to their maturity or redemption upon the deposit with the Trustee of specified amounts of cash, or direct obligations of, or obligations guaranteed by, the United States of America ("Governmental Obligations"), sufficient to provide for payment or redemption of the Bonds.

**Events of Default and Remedies.** The Indenture will provide that each of the following constitutes an event of default:

- (1) Failure to make due and punctual payment of any installment of interest upon any Bond;
- (2) Failure to make due and punctual payment of the principal of and premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof or upon the maturity thereof by declaration; or
- (3) The occurrence of an event of default under the Agreement.

Upon the occurrence of any event of default and so long as such event is continuing, the Trustee may, and upon the written request of the holders of not less than 25% in aggregate principal amount of Bonds then outstanding shall, by notice in writing delivered to the Authority with a copy of such notice to Waste Management, request that the Authority demand that Waste Management cure such event of default. Upon failure of the Authority to cause Waste Management to cure such event of default, the Trustee, by notices in writing to Waste Management and the Authority, shall declare the principal of all Bonds then outstanding and the interest accrued thereon immediately due and payable, and such principal and interest will thereupon become and be immediately due and payable.

The above provisions however, are subject to the conditions that if, after the principal of all Bonds then outstanding shall have been so declared to be due and payable, all arrears of interest on such Bonds, and interest on overdue installments of interest (to the extent permitted by law) at a rate per annum which is equal to the rate per annum borne by the Bonds in respect of which such default shall have occurred and the principal of and premium, if any, on all Bonds then outstanding which shall have become due and payable otherwise than by acceleration, and all other sums payable under the Indenture shall have been paid by or on behalf of the Authority, then and in every such case, such default shall be waived and such declaration of acceleration and its consequences shall be rescinded and annulled by the Trustee by notice given to the Authority and Waste Management, which annulment shall be binding upon all Bondholders. No annulment will extend to or affect any subsequent default or impair any right or remedy consequent thereon.

The Indenture will restrict the rights of Bondholders to pursue remedies under the Indenture and specify the order in which moneys received by the Trustee after default shall be distributed.

#### **TAX EXEMPTION**

Generally, interest on obligations of a State or a political subdivision of a State is exempt from Federal income taxation. Section 103(b) of the Code provides, however, that interest on any such obligation which is an "industrial development bond" will not be exempt. An exception to this provision is created by Section 103(b)(4)(E) for issues of industrial development bonds where substantially all of the proceeds are used to provide sewage or solid waste disposal facilities, unless the holder of the bond is a "substantial user" of the facilities, as provided in Section 103(b)(9) of the Code, or a "related person", as defined in Section 103(b)(6)(C) of the Code.

In the opinion of Chapman and Cutler, Bond Counsel based on existing statutes, regulations, court decisions and rulings the interest on the Series 1980 Bonds will be exempt from all present Federal income taxes except that such exemption is not applicable with respect to interest on any Series 1980 Bond for any period during which such Bond is held by a person who is a "substantial

user" of the Project (within the meaning of Section 103(b)(9) of the Code) or any person considered to be related to such person (within the meaning of Section 103(b)(6)(C) of the Code). In concluding that the interest on the Series 1980 Bonds will be exempt from all present Federal income taxes, Bond Counsel has relied upon a certificate of Waste Management with respect to certain material facts solely within Waste Management's knowledge in concluding that substantially all of the proceeds of the Series 1980 Bonds will be used to provide "sewage or solid waste disposal facilities" (within the meaning of Section 103(b)(4)(E) of the Code).

### UNDERWRITING

Under the terms and subject to the conditions contained in a Contract of Purchase, the Underwriters named below have agreed to purchase, severally and not jointly, and the Authority has agreed to sell, the respective principal amounts of the Series 1980 Bonds set forth opposite their names below:

<u>Name</u>	<u>Principal Amount</u>
Merrill Lynch, Pierce, Fenner & Smith Incorporated .....	\$ 8,750,000
Kidder, Peabody & Co. Incorporated .....	\$ 8,750,000
A. G. Becker Incorporated .....	\$ 2,500,000
Bache Halsey Stuart Shields Incorporated .....	\$ 2,500,000
William Blair & Company .....	\$ 2,500,000
Total .....	<u>\$25,000,000</u>

The Contract of Purchase provides that the Underwriters will purchase all of the Series 1980 Bonds if any Series 1980 Bonds are purchased.

The Underwriters agree to make a public offering of the Series 1980 Bonds at the initial offering price set forth on the cover page hereof. Following the initial public offering, the offering price may be changed from time to time by the Underwriters. The Underwriters may offer to sell the Series 1980 Bonds to certain dealers (including dealers depositing Series 1980 Bonds into investment trusts) and others at a price lower than the public offering price stated on the cover page hereof.

The Underwriters will purchase the Series 1980 Bonds at a price of 98.75% of their principal amount. Waste Management has agreed to indemnify the several Underwriters and the Authority against certain liabilities, including liabilities under the Federal securities laws.

Olin Neill Emmons, a director of Waste Management, is First Vice President of Bache Halsey Stuart Shields Incorporated.

### RATINGS

Moody's Investors Service, Inc. and Standard & Poor's Corporation have each given the Series 1980 Bonds an A rating. An explanation of the significance of the rating issued by either such agency may be obtained from the issuing rating agency. Waste Management furnished to each rating agency certain information and materials relating to the Series 1980 Bonds and itself. Generally, a rating agency bases its rating on such information and materials and on investigations, studies and assumptions made by it. There is no assurance that the rating from either rating agency will be retained for any given period of time or that it may not be lowered or withdrawn entirely, if in the issuing rating agency's judgment circumstances so warrant. Any such downward change in, or withdrawal of, the rating issued by either such agency may have an adverse effect on the market price of the Series 1980 Bonds.

## APPROVAL OF LEGAL PROCEEDINGS

Legal matters incident to the authorization, issuance and sale by the Authority of the Series 1980 Bonds and with regard to the tax-exempt status thereof will be the subject of the unqualified approving opinion of Chapman and Cutler, Bond Counsel. Copies of such opinion will be available at the time of the delivery of the Series 1980 Bonds. Certain legal matters will be passed upon for Waste Management by Bell, Boyd, Lloyd, Haddad & Burns, for the Authority by Hopkins, Sutter, Mulroy, Davis & Cromartie and for the Underwriters by Mayer, Brown & Platt.

## INFORMATION IN APPENDIX

Information concerning Waste Management is contained in the Appendix to this Official Statement. All the information contained in the Appendix, as well as the information contained under the headings "The Company" and "The Project" under the caption "Summary Information", and under the captions "The Project" and "Use of Proceeds", has been furnished by Waste Management. The Authority makes no representations or warranties as to the accuracy of the information contained in the Appendix and under such captions.

Waste Management is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith, files reports and other information with the Securities and Exchange Commission (the "Commission") relating to its business, financial position and results of operations and other matters. Information, as of particular dates, concerning directors and officers, their remuneration, stock options granted to them, the principal holders of Waste Management's securities and any material interest of such persons in transactions with Waste Management and other matters are required to be disclosed in proxy statements distributed to Waste Management's stockholders and filed with the Commission. Such reports, proxy statements and other information may be inspected and copied at the offices of the Commission, 1100 L Street, N.W., Washington, D.C.; Everett McKinley Dirksen Building, 219 South Dearborn Street, Chicago, Illinois, Federal Building, 26 Federal Plaza, New York, New York and Tishman Building, 10960 Wilshire Boulevard, Los Angeles, California; and copies of such material can be obtained from the Public Reference Section of the Commission at 500 North Capitol Street, Washington, D.C. 20549, at prescribed rates. Such material may also be inspected at the Library of the New York Stock Exchange, 20 Broad Street, New York, New York.

The execution of this Official Statement was duly authorized by the Authority on September 3, 1980

ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

By:   
Vice Chairman

## APPENDIX

### WASTE MANAGEMENT, INC.

#### GENERAL

This Appendix consists of the information on pages A-1 through A-3 and the documents listed below relating to Waste Management, each of which is incorporated in this Appendix by reference.

- Definitive Proxy Statement dated March 31, 1980 for the Annual Meeting of Stockholders on May 9, 1980.
- Prospectus dated May 22, 1980, as supplemented by a Supplement dated June 27, 1980.
- Reports on Form 10-Q for the quarters ended March 31, 1980 and June 30, 1980 filed with the Securities and Exchange Commission.

Waste Management will provide without charge to each person to whom an Official Statement is delivered, on the written request of any such person, a copy of any or all of the documents incorporated by reference herein. Such written requests should be addressed to any of the following:

Waste Management, Inc.  
900 Jorie Boulevard  
Oak Brook, Illinois 60521  
Attn: Peter H. Huizenga, Secretary

<b>Merrill Lynch, Pierce, Fenner &amp; Smith</b>		<b>Kidder, Peabody &amp; Co.</b>	
<b>Incorporated</b>		<b>Incorporated</b>	
One Liberty Plaza	5500 Sears Tower	10 Hanover Square	125 S. Wacker Drive
New York, NY 10080	Chicago, Illinois 60606	New York, NY 10005	Chicago, Illinois 60606
Attn: Harry C. Pinson	Attn: Daniel H. Bayly	Attn: William E. Cherry	Attn: Cyd Bloom

#### THE COMPANY

Waste Management, Inc. was incorporated in Delaware in 1968 and is engaged primarily in the waste management business. Unless the context indicates otherwise, the term "Waste Management" refers to Waste Management, Inc. and its subsidiaries.

Waste Management provides integrated solid and chemical waste management services, consisting of storage and collection, transfer, interim processing and disposal, to commercial, industrial and municipal customers, as well as to other waste management companies, and integrated solid waste management services to residences. Waste Management is developing solid and chemical waste resource recovery operations where economically feasible. Waste Management considers all of these operations to be one industry. In January 1977, a joint venture in which a wholly-owned subsidiary of Waste Management has a 60% interest entered into a contract pursuant to which it has developed and is operating a department of streets and sanitation for the City of Riyadh, Saudi Arabia. In October 1979, an Argentine corporation, 60% owned by a subsidiary of Waste Management and 40% owned by a nonaffiliated Argentine corporation, entered into a contract pursuant to which solid wastes are being collected and streets cleaned in an area covering about one-half of the Federal District in the City of Buenos Aires, Argentina. Waste Management intends to pursue other foreign business opportunities and will, from time to time, bid on waste management projects in foreign countries.

In addition to its overseas operations, Waste Management has operations in twenty-seven states and the Province of Ontario, Canada (the "North American Operations"). During 1977, 1978 and 1979, operations in Florida and Illinois together accounted for approximately 43%, 41% and 38%, respectively, of Waste Management's revenue from North American Operations, and operations in no other jurisdiction accounted for as much as 8% of such revenue during any of such periods. Except for revenue derived from the Riyadh contract, during those periods no customer accounted for as much as 2.3% of consolidated revenue.

Fees paid to Waste Management by its collection customers (including charges for interim processing and disposal) accounted for approximately 75% of its revenue from North American Operations during 1979 and 1978, 81% in 1977 and 1976, and 83% in 1975. Transfer, interim processing and disposal services provided to municipalities, counties and other waste management companies accounted for approximately 23% of such revenue in 1979 and 1978, 17% in 1977 and 1976, and 15% in 1975.

## SUMMARY FINANCIAL INFORMATION

### Summary Operating Information

The following summary operating information was derived from and should be read in conjunction with the consolidated financial statements of Waste Management contained in its prospectus dated May 22, 1980 (see "General")

(\$000's omitted except ratios)

	1975	1976	1977	1978	1979
Statements of Income:					
Revenue .....	\$161,363	\$183,380	\$230,346	\$307,112	\$381,522
Net income for the year .....	\$ 9,005	\$ 11,766	\$ 18,581	\$ 27,429	\$ 36,725
Ratio of earnings to fixed charges .....	2.98	3.92	6.31	8.81	9.87

The following tabulation summarizes the consolidated results of Waste Management and its subsidiaries for the six-month periods ended June 30, 1979 and 1980, and also sets forth the ratio of earnings to fixed charges for those periods. The tabulation has not been examined by independent public accountants, but reflects, in the opinion of Waste Management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the results for such periods. Net income for the six-month period ended June 30, 1980 is not necessarily indicative of results for the entire year.

(\$000's omitted except ratios)

	Six Months Ended June 30	
	1979	1980
	(Unaudited)	
Revenue .....	\$178,958	\$249,120
Net income .....	\$ 17,383	\$ 24,175
Ratio of earnings to fixed charges .....	10.48	8.23

## Capitalization

The following table sets forth the consolidated capitalization of Waste Management as of June 30, 1980 (except as otherwise noted), and as adjusted to reflect the sale of the Series 1980 Bonds, the contemporaneous sale of an aggregate of 650,000 shares of common stock of Waste Management and the application of a portion of the proceeds of such sales:

(\$000's omitted)

	Actual	As Adjusted
<b>Debt—</b>		
Promissory notes, 9¾% interest, due 1983–1990 .....	\$ 30,000	\$ 30,000
Revolving credit agreement, interest at 105% of prime(1) .....	4,000	—
Bank borrowing under informal arrangements, 9.626% to 9.688% interest(1) .....	24,000*	—
Canadian revolving credit agreement, with interest, 50% at prime (13¼%) and 50% at 11¾%(1) .....	2,607	—
Solid waste disposal revenue bonds, 7¼% interest, due 1989–2003 .....	20,000	20,000
Solid waste disposal revenue bonds, 6¾% interest, due 1988 .....	7,000	7,000
Solid waste disposal revenue bonds, 7¾% interest, due 1983(1) .....	—	25,000
6% to 11¾% mortgage notes payable through 1996 .....	8,566	8,566
Non-interest bearing to 15½% installment loans and notes payable through 1996, partially secured .....	11,554	11,554
Total debt .....	\$107,727	\$102,120
Less—current portion .....	6,588	6,588
Long-term portion .....	<u>\$101,139</u>	<u>\$ 95,532</u>
<b>Stockholders' Equity—</b>		
Preferred stock, \$1 par value (issuable in series): 500,000 shares authorized, none outstanding .....	\$ —	\$ —
Common stock, \$1 par value; 20,000,000 shares authorized, 12,330,430 issued; 12,980,430 issued as adjusted .....	12,330	12,980
Additional paid-in capital .....	73,760	119,091
Retained earnings .....	140,620	140,620
	<u>\$226,710</u>	<u>\$272,691</u>

\*Amount outstanding as of September 5, 1980

- (1) Waste Management estimates that approximately \$15 million of the proceeds of the offering made hereby will be received on or about September 30, 1980 as reimbursement of Project costs already incurred and will be used to reduce borrowings under the revolving credit agreement, bank borrowing under informal arrangements and Canadian revolving credit agreement.

No person has been authorized to give information or to make any representations other than those contained in this Official Statement in connection with the offer made hereby and, if given or made, such information or representations must not be relied upon as having been authorized by the Illinois Environmental Facilities Financing Authority, Waste Management, Inc. or the Underwriters. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Illinois Environmental Facilities Financing Authority or Waste Management, Inc. since the date hereof. This Official Statement does not constitute an offer or solicitation in any state in which such offer or solicitation is not authorized, or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. The information set forth herein has been obtained from Waste Management, Inc. and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriters or the Illinois Environmental Facilities Financing Authority.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 1980 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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\$25,000,000

## ILLINOIS ENVIRONMENTAL FACILITIES FINANCING AUTHORITY

Solid Waste Disposal

Revenue Bonds

(Waste Management, Inc. Project)

Series 1980

## WASTE MANAGEMENT, INC.

### Merrill Lynch White Weld Capital Markets Group

Merrill Lynch, Pierce, Fenner & Smith  
Incorporated

Kidder, Peabody & Co. Incorporated

OFFICIAL STATEMENT

September 12, 1980

42-00033-1

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ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

TO

CONTINENTAL ILLINOIS NATIONAL BANK  
AND TRUST COMPANY OF CHICAGO,  
as Trustee

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INDENTURE OF TRUST

SECURING SOLID WASTE DISPOSAL REVENUE BONDS  
(WASTE MANAGEMENT, INC. PROJECT)  
SERIES 1980

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Dated as of September 1, 1980

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THIS INDENTURE OF TRUST, dated as of September 1, 1980, between ILLINOIS ENVIRONMENTAL FACILITIES FINANCING AUTHORITY (the "Issuer"), a public instrumentality of the State of Illinois and a body politic and corporate duly organized and existing under the Act, as defined in Article I, and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee (the "Trustee"), a corporation duly organized and existing under the laws of the United States of America with its principal corporate trust office located at 30 North LaSalle Street, Chicago, Illinois 60693;

RECITALS:

A. In furtherance of its statutory purposes, the Issuer has entered into a Loan Agreement dated as of September 1, 1980 (the "Agreement") with Waste Management, Inc. (the "Company") providing for the undertaking by the Issuer of the financing for the Company of facilities, or portions thereof, designed as "environmental facilities" within the meaning of the Act, as defined in Article I, which facilities or portions thereof and their estimated costs are generally described or will be described in Exhibit A to the Agreement, and shall constitute "the Project", as defined in the Agreement. The Issuer has found that financing of the Project is in the public interest.

B. The Agreement provides that, in order to finance a portion of the Project, the Issuer will issue and sell its Solid Waste Disposal Revenue Bonds (Waste Management, Inc. Project) Series 1980 (the "Series 1980 Bonds"); that the Issuer will loan to the Company the proceeds received from the sale of the Series 1980 Bonds in order that the Company may acquire, construct and install the Project; and that the Company will pay pursuant to the Agreement an amount sufficient to pay in full the Bonds (hereafter defined) issued by the Issuer. ★

C. The execution and delivery of this Indenture have been in all respects duly and validly authorized by resolution duly adopted by the Issuer.

D. In order to provide a portion of the funds needed for the acquisition, construction and installation of the Project, the Issuer has duly authorized the issuance and sale of the Series 1980 Bonds in the aggregate principal amount of \$25,000,000.

E. Additional amounts may be necessary in connection with the Project, and as a result provision should be made for the issuance of additional series of parity bonds (the "Additional Bonds") from time to time hereunder as specified in Section 301 hereof (the Additional Bonds and the Series 1980 Bonds are hereinafter collectively referred to as the "Bonds").

F. The Series 1980 Bonds, the interest coupons to be attached to the coupon Bonds of such series and the Trustee's certificate of authentication to be endorsed thereon are all to be in substantially the following forms, and any Additional Bonds, coupons and Trustee's certificates of authentication are also to be in substantially the following forms (except as to redemption, sinking fund and other provisions peculiar to such Additional Bonds), with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture, to wit:

[Form of Coupon Bond]

\$5,000

No.

United States of America

State of Illinois

ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

SOLID WASTE DISPOSAL REVENUE BOND  
(WASTE MANAGEMENT, INC. PROJECT)  
SERIES 1980

[1] ILLINOIS ENVIRONMENTAL FACILITIES FINANCING AUTHORITY (the "Authority"), a public instrumentality of the State of Illinois and a body politic and corporate duly organized and existing under the Illinois Environmental Facilities Financing Act, Illinois Revised Statutes 1979, ch. 127, Section 721 et seq., as from time to time supplemented and amended (the "Act"), for value received, hereby promises to pay (but only out of the sources hereinafter provided), to the bearer, or if the ownership hereof is registered as to principal, to the registered owner hereof, on September 1, 1983, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon surrender hereof, the principal sum of Five Thousand Dollars (\$5,000) and to pay (but only out of the sources hereinafter provided) interest

thereon from the date hereof, until payment of said principal sum has been made or provided for, at the rate of seven and three eighths per cent (7-3/8%) per annum on March 1 and September 1 of each year commencing March 1, 1981, but only upon surrender of the interest coupons hereto attached as they mature, and to pay interest on overdue principal and, to the extent permitted by law, on overdue interest at the rate per annum above specified. Principal and interest shall be paid at the principal corporate trust office of Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois, or at the duly designated office of any duly appointed additional or successor paying agent, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

[2] This Bond is one of a duly authorized series (the "Series 1980 Bonds") limited in aggregate principal amount to \$25,000,000 executed under an Indenture of Trust dated as of September 1, 1980 (the "Indenture") between the Authority and Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois, as Trustee (the "Trustee"), to accomplish the public purposes of the Act by aiding in the financing of solid waste disposal facilities (the "Project") owned or to be owned by Waste Management, Inc. (the "Company") or one of its wholly-owned subsidiaries and located within the State of Illinois. It is provided in the Indenture that the Authority may hereafter issue Additional Bonds (as defined in the Indenture) under the terms and conditions contained therein, and if issued, such Additional Bonds will rank pari passu with the Series 1980 Bonds (such Additional Bonds, together with the Series 1980 Bonds are herein collectively referred to as the "Bonds"). Such Additional Bonds may be issued by the Authority to finance certain other facilities or any additional costs of the Project or to refund all or any part of the Bonds of any series. Proceeds from the sale of the Series 1980 Bonds are to be loaned by the Authority to the Company under the terms of a Loan Agreement dated as of September 1, 1980 (the "Agreement"). ~~The Series 1980 Bonds are all issued under and~~ are equally and ratably secured by and entitled to the security of a pledge and assignment of the revenues and receipts derived by the Authority pursuant to the Agreement and from any other moneys held by the Trustee under the Indenture for such purpose, and there shall be no other recourse against the Authority or any property now or hereafter owned by it. Except as otherwise specified in the Indenture, this Bond is entitled to the benefits of the Indenture equally and ratably as to principal, premium, if any, and interest with all other Bonds issued and to be issued

under the Indenture, to which reference is made for a description of the rights of the holders of the Bonds; the rights and obligations of the Authority; the rights, duties and obligations of the Trustee; and the provisions relating to amendments to and modifications of the Indenture.

[3] This Bond shall pass by delivery except when it is registered as to principal (except as to bearer) on the books of the Authority to be kept for that purpose at the principal corporate trust office of the Trustee and such registration is noted hereon. After such registration no transfer hereof shall be binding upon the Authority and the Trustee unless made on said books at said office by the registered owner in person or by his duly authorized attorney and similarly noted hereon; but this Bond may be discharged from registration by like transfer to bearer. Such registration shall not affect the transferability by delivery of the interest coupons hereto attached. The Authority and the Trustee may treat the bearer of this Bond if it is not registered or, if it is registered (except as to bearer), the registered owner, as the absolute owner hereof and the bearer of any interest coupon appertaining hereto as the absolute owner thereof for all purposes, whether or not this Bond or such coupon shall be overdue, and shall not be bound by any notice to the contrary.

[4] The Series 1980 Bonds are issuable in the form of coupon bonds, registrable as to principal only, in the denomination of \$5,000 each and in the form of fully registered bonds in the denomination of \$5,000 each or any integral multiple thereof. Coupon Series 1980 Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with all unmatured coupons may, at the option of the holder thereof, be exchanged for an equal aggregate principal amount of registered Series 1980 Bonds without coupons of the same maturity and interest rate upon payment of any tax or other governmental charge required to be paid with respect to such exchange, and in the manner and subject to the conditions provided in the Indenture. In like manner, upon payment of any required tax, fee or other governmental charge and subject to such conditions, registered Series 1980 Bonds without coupons upon the surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer, in form and with guaranty of signature satisfactory to the Authority and the Trustee, duly executed by the registered owner or his duly authorized attorney, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of coupon Series 1980 Bonds of the same maturity and interest rate with



appropriate coupons attached or of registered Series 1980 Bonds without coupons of the same maturity and interest rate of any other authorized denomination.

[5] The Series 1980 Bonds are noncallable for redemption prior to September 1, 1981, except in the event that the Company shall exercise its option or shall be required to prepay as provided in Article VII of the Agreement. In the event the Company shall exercise its option to prepay, the Series 1980 Bonds shall be subject to redemption at any time in whole or in part (and if in part by lot in such manner as may be designated by the Trustee) at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, upon receipt by the Trustee of a written notice from the Company stating that it intends to exercise its option to prepay in whole or in part and that any of the following events has occurred within the preceding one hundred and twenty days:

(1) any portion of the Project the original cost of which is equal to or greater than \$500,000, shall have been damaged or destroyed; or

(2) any portion of the Project the original cost of which is equal to or greater than \$500,000, shall have been condemned or the use or control thereof shall have been taken by eminent domain so as to render such portion of the Project unsatisfactory to the Company for its continued operation; or

(3) in the opinion of the Company, changes in the economic availability of materials, labor, supplies, equipment, facilities or things necessary for the operation of any portion of the Project the original cost of which is equal to or greater than \$500,000, shall have occurred or such technological or other changes shall have occurred which render such portion of the Project uneconomical for the purpose for which it was intended; or

(4) as a result of any changes in the Constitution of the State of Illinois or the Constitution of the United States of America or by legislative or administrative action (whether State or Federal) or by final decree, judgment or order of any court or administrative body (whether State or Federal), the Agreement shall have become void

or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement, or unreasonable burdens or excessive liabilities shall have been imposed on the Authority or the Company with respect to the Project including, without limitation, Federal, State or other ad valorem, property, income or other taxes not being imposed on the date of the Agreement.

If any event described in (1), (2) or (3) gives rise to the Company's exercise of its option to cause the redemption, the principal amount of Series 1980 Bonds to be redeemed shall be no greater than the original cost of the portion of the Project affected by the event. If the event described in (4) gives rise to the Company's exercise of its option to cause a redemption, the Series 1980 Bonds shall be redeemed as a whole.

The Series 1980 Bonds shall be redeemed by the Authority at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, in whole, or in part as hereinafter described, on any interest payment date not less than 90 nor more than 270 days after any occurrence of the following event, upon obligatory prepayment by the Company of all or part of the indebtedness due or to become due under the Agreement, in the event of a final determination by the Internal Revenue Service or a court of competent jurisdiction as a result of a proceeding in which the Company participates to the degree it deems sufficient, which determination the Company, in its discretion, does not contest by an appropriate proceeding, that, as a result of the failure by the Company to observe any covenant, agreement or representation by the Company in the Agreement, the interest payable on the Series 1980 Bonds or any of them is includable for Federal income tax purposes in the gross income of any holder thereof (other than a holder who is a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) or Section 103(b)(6)(C), respectively, of the United States Internal Revenue Code of 1954, as amended [the "Code"] and the applicable regulations thereunder). Upon any such occurrence the Series 1980 Bonds will be redeemed in whole unless redemption of a portion of the Series 1980 Bonds outstanding would have the result that interest payable on the Series 1980 Bonds remaining outstanding after such redemption will not be includable in the gross income of the holder thereof (other than a holder who is a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) or Section 103(b)(6)(C), respectively, of the Code, and the applicable regulations

thereunder), in which event the Series 1980 Bonds shall be redeemed from time to time by lot in such amount as to accomplish that result.

[6] The Series 1980 Bonds are also subject to optional redemption prior to maturity by the Authority at the request of the Company on any date after August 31, 1981, in whole or in part by lot in such manner as may be designated by the Trustee, at a redemption price equal to 100.5% of the principal amount thereof from September 1, 1981 through August 31, 1982 and at a redemption price equal to 100% of the principal amount thereof thereafter, plus in each case accrued interest to the redemption date.

[7] Notice of the call for any redemption of the Series 1980 Bonds, identifying the Series 1980 Bonds or portions thereof to be redeemed, shall be given by publication in a newspaper or financial journal of general circulation, in English, customarily distributed each business day in The City of New York, New York, and the City of Chicago, Illinois, not more than 60 and not less than 30 days prior to the redemption date, and in the case of the redemption of Series 1980 Bonds at the time registered as to principal (except to bearer) or fully registered, by mailing a copy of the redemption notice by first class mail to the registered owner of each such Bond to be redeemed, at the address shown on the registration books of the Authority maintained by the Trustee, not more than 60 and not less than 30 days prior to the redemption date; provided, however, that neither failure to give such notice by mailing, nor any defect therein shall affect the validity of any proceedings for the redemption of Series 1980 Bonds with respect to other Bondholders. If all of said Series 1980 Bonds to be redeemed are at that time registered as to principal (except to bearer) or fully registered, notice by mailing given by first class mail to the registered owner or owners thereof, at their addresses shown on the registration books of the Authority maintained by the Trustee, not more than 60 and not less than 30 days prior to the date fixed for redemption, shall be sufficient and published notice of the call for redemption need not be given; provided, however, that neither failure to give such notice by mailing nor any defect therein shall affect the validity of any proceedings for the redemption of Series 1980 Bonds with respect to other Bondholders. If, because of the temporary or permanent suspension of the publication or general circulation of any newspaper or financial journal or for any other reason, it is impossible or impractical to publish such notice of call for redemption in the manner herein provided,

then such publication in lieu thereof as shall be determined by the Trustee shall constitute a sufficient publication of notice. In case by reason of the suspension of regular mail service, it shall be impractical to mail notice of any event to the holders of fully registered Series 1980 Bonds or coupon Series 1980 Bonds registered as to principal other than to bearer when such notice is required to be given pursuant to any provisions of the Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of such notice. In connection with any such notice, the "CUSIP" number assigned to such Bonds being called for redemption may be used, but reliance may be placed only on the identification number printed hereon. If the Authority deposits or causes to be deposited with the Trustee funds sufficient to pay the principal of and premium, if any, on any Series 1980 Bonds becoming due at maturity, by call for redemption, or otherwise, together with interest accrued thereon to the due date, interest on such Bonds will cease to accrue on the due date, and thereafter the holders will be restricted to the funds so deposited as provided in the Indenture.

[8] This Bond and all other Series 1980 Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Illinois, particularly the Act, and pursuant to resolutions adopted by the Authority, which resolutions authorize the execution and delivery of the Indenture. This Bond and all other Series 1980 Bonds and the interest coupons appertaining to the coupon Series 1980 Bonds are limited obligations of the Authority and shall not be deemed to constitute a debt or liability of the State of Illinois or of any political subdivision thereof, but shall be payable solely from the revenues and receipts derived under the Agreement by the Authority (except as provided in the Indenture to the extent paid out of moneys attributable to the Series 1980 Bond proceeds or the income from the temporary investment thereof). The issuance of the Series 1980 Bonds shall not, directly or indirectly or contingently, obligate the Authority, the State of Illinois or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. Nothing in the Series 1980 Bonds, the coupons appertaining to the coupon Series 1980 Bonds, the Indenture, the Agreement, the proceedings of the Authority authorizing the Series 1980 Bonds or the Act shall be construed to authorize the Authority to create a debt of the State of Illinois or any political subdivision thereof within the meaning of any constitutional or statutory provision of the State of Illinois. The principal of, premium, if any, and interest on the Series

1980 Bonds are payable solely from the funds pledged for their payment in accordance with the resolutions authorizing their issuance and the Indenture. Neither the State of Illinois nor any political subdivision thereof shall in any event be liable for the payment of the principal of, premium, if any, or interest on the Series 1980 Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach of any such pledge, obligation or agreement may impose any pecuniary liability upon the State of Illinois or any political subdivision thereof or any charge upon their general credit or against their taxing power. Pursuant to the provisions of the Agreement, payments sufficient for the prompt payment when due of the principal of, premium, if any, and interest on, the Series 1980 Bonds are to be paid by the Company to the Trustee and deposited in a special account created by the Authority and designated "Illinois Environmental Facilities Financing Authority Bond Fund-Waste Management, Inc. Project", and all such payments under the Agreement have been duly pledged and assigned to the Trustee under the Indenture to secure payment of such principal, premium, if any, and interest. The Project is not security for the Series 1980 Bonds.

[9] No recourse shall be had for the payment of the principal of, premium, if any, or interest on, any of the Series 1980 Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained, against any past, present or future member, director, officer, employee or agent of the Authority, or through the Authority, or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, director, officer, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Series 1980 Bonds.

[10] The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. If an event of default as defined in the Indenture occurs, the principal of all Bonds issued under the Indenture may be declared due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

[11] Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

[12] IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law; and that the issuance of this Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

[13] This Bond and the coupons appertaining hereto shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been duly executed by the Trustee.

[14] IN WITNESS WHEREOF, Illinois Environmental Facilities Financing Authority has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman and the facsimile of its corporate seal to be printed hereon and attested by the manual or facsimile signature of its Secretary and has caused interest coupons bearing the facsimile signature of said Chairman to be hereto attached.

Dated as of September 1, 1980

ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

Attest: By           [FACSIMILE]            
Chairman

          [FACSIMILE]            
Secretary

[Form of Interest Coupon]

No. \$\_\_\_\_\_

On the first day of \_\_\_\_\_, \_\_\_\_\_, unless the Bond hereinafter mentioned shall have been duly called for previous redemption and payment provided for, Illinois Environmental Facilities Financing Authority will pay to the bearer, but only out of the sources referred to in the Bond, at the principal

corporate trust office of Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois, or at the duly designated office of any duly appointed additional or successor paying agent, upon surrender hereof, the amount shown hereon in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, being interest then due on its Solid Waste Disposal Revenue Bond (Waste Management, Inc. Project) Series 1980 dated as of September 1, 1980, numbered \_\_\_\_\_.

ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

By \_\_\_\_\_ [FACSIMILE]  
Chairman

(FORM OF REGISTRATION)

Date of Registration	Name of Registered Owner	Signature of Bond Registrar
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

[FORM OF FULLY REGISTERED BOND]

The form of the Series 1980 fully registered Bond shall be identical with the form of Series 1980 coupon Bond except that the heading and the first, third, thirteenth and fourteenth paragraphs and form of interest coupon of the form of the Series 1980 coupon Bond shall be omitted, and there shall be substituted in the form of the Series 1980 fully registered Bond in lieu of the heading and corresponding paragraphs of the Series 1980 coupon Bond the following heading and paragraphs:

[the following heading and paragraph to be inserted  
to replace the heading and first paragraph of the  
coupon Bond form]

\$\_\_\_\_\_

No. R-

United States of America

State of Illinois

ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

SOLID WASTE DISPOSAL REVENUE BOND  
(WASTE MANAGEMENT, INC. PROJECT)  
SERIES 1980

[1] ILLINOIS ENVIRONMENTAL FACILITIES FINANCING AUTHORITY (the "Authority"), a public instrumentality of the State of Illinois and a body politic and corporate duly organized and existing under the Illinois Environmental Facilities Financing Act, Illinois Revised Statutes 1979, ch. 127, Section 721 et seq., as from time to time supplemented and amended (the "Act"), for value received, hereby promises to pay (but only out of the sources hereinafter provided) to \_\_\_\_\_ or registered assigns on September 1, 1983, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon surrender hereof, the principal sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_ ) and to pay (but only out of the sources hereinafter provided) interest thereon from the date hereof on the balance of said principal sum from time to time remaining unpaid at the rate of seven and three eighths per cent (7-3/8%) per annum payable semi-annually on the first day of ~~March and September~~ commencing on the first interest payment date after the date hereof until payment in full of such principal sum and to pay interest on overdue principal and, to the extent permitted by law, on overdue interest at the rate per annum above specified. The interest so payable on any interest payment date will, subject to certain exceptions provided in the Indenture hereinafter referred to, be paid to the person in whose name this Bond is registered at the close of business on the applicable record date as provided in the Indenture next preceding such interest payment date. Principal shall be paid at the principal corporate trust office of Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois, or at the duly designated office of any duly appointed additional or successor paying agent,



in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, and interest shall be paid by check mailed to the address of the person entitled thereto as shown on the registration books maintained by the Trustee.

\* \* \* \* \*

[the following paragraph to be inserted to replace the third paragraph of the coupon Bond form]

[3] This Bond is transferable, as provided in the Indenture, by the registered owner hereof or his duly authorized attorney at the principal corporate trust office of the Trustee, upon surrender of this Bond, accompanied by a duly executed instrument of transfer, in form and with guaranty of signature satisfactory to the Authority and the Trustee, and upon payment by the owner hereof of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new fully registered Series 1980 Bond or Bonds without coupons of the same maturity, interest rate and in the same aggregate principal amount will be issued to the transferee. The person in whose name this Bond is registered may be deemed the absolute owner hereof by the Authority and the Trustee, and any notice to the contrary shall not be binding upon the Authority or the Trustee.

\* \* \* \* \*

[the following 2 paragraphs to be inserted to replace the thirteenth and fourteenth paragraphs of the coupon Bond form]

[13] This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been duly executed by the Trustee.

[14] IN WITNESS WHEREOF, Illinois Environmental Facilities Financing Authority has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman and



G. The execution and delivery of the Series 1980 Bonds and of the Indenture have been duly authorized and all things necessary to make the Series 1980 Bonds, when executed by the Issuer and authenticated by the Trustee, valid and binding legal obligations of the Issuer and to make this Indenture a valid and binding agreement have been done.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

That the Issuer in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Bonds by the purchasers thereof, one dollar duly paid to the Issuer by the Trustee at or before the execution and delivery of these presents and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on all Bonds outstanding hereunder from time to time, according to their tenor and effect, and to secure the observance and performance by the Issuer of all the covenants expressed or implied herein and in the Bonds, does hereby pledge and assign unto the Trustee, and unto its successors and assigns forever:

#### GRANTING CLAUSE FIRST

All revenues and receipts derived by the Issuer under and pursuant to the hereinafter defined Agreement (other than amounts paid into the Bond Fund (hereinafter defined) and pledged and assigned to the payment of certain Bonds, and other than amounts payable to, or for the benefit of, the Issuer pursuant to Sections 5.4, 5.10 and 6.4 of the Agreement), provided that the assignment hereby made shall not impair or diminish any obligation of the Issuer under the provisions of the Agreement, and all funds, moneys and securities from time to time held by the Trustee under the terms of this Indenture; provided, however, that nothing in the Bonds or in this Indenture shall be construed as pledging the credit or the taxing power of the Issuer, if any, or of the State of Illinois, or any political subdivision of the State of Illinois, nor shall the Bonds be deemed an obligation of said State or any political subdivision of said State within the meaning of any constitutional or statutory provision of said State, nor shall said State or political subdivision thereof be liable for the principal of, premium, if any, or the interest on, the Bonds or the performance by the Issuer of any of its undertakings or obligations under the Agreement or this Indenture; and

## GRANTING CLAUSE SECOND

Except for its rights to moneys payable under Sections 5.4, 5.10 and 6.4 of the Agreement, all right and interest of the Issuer in and to the Agreement, including all extensions and renewals of the term thereof, if any, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any of the income, revenues, issues and profits and other sums of money payable or receivable thereunder, whether payable in respect of the indebtedness thereunder or otherwise, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Issuer is or may become entitled to do under the Agreement; provided, that the assignment made by this clause shall not impair or diminish any obligation of the Issuer under the Agreement; provided further that, the assignment made by this clause or any provision of this Indenture to the contrary notwithstanding, the Issuer shall have the right, at any time and from time to time to enforce the performance or observance of any obligation, agreement, or covenant of the Company under the Agreement pursuant to Section 6.2 thereof to the extent set forth therein and the waiver of any default under the Agreement by the Trustee shall not be deemed to be a waiver of the rights of the Issuer.

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future holders and owners of the Bonds and the bearers of all coupons appertaining thereto, from time to time issued under and secured by this Indenture without privilege, priority or distinction as to the lien or otherwise of any of the Bonds or coupons over any of the other Bonds or coupons.

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of the Bonds and the interest and premium, if any, due or to become due thereon, at the times and in the manner mentioned in the Bonds and the interest coupons appertaining to the coupon Bonds, respectively, according to the true intent and meaning thereof, and shall cause the payments to be made into the Bond Fund as required under Articles IV and V hereof or shall provide, as permitted by Article XIII hereof, for the payment thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee and all paying

agents all sums of money due or to become due to it in accordance with the terms and provisions hereof, then this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture is to be and remain in full force and effect.

THIS INDENTURE OF TRUST FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and the revenues and receipts derived from the Project hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective holders from time to time of the Bonds or coupons, as follows:

#### ARTICLE I

##### DEFINITIONS

In this Indenture and any indenture supplemental hereto (except as otherwise expressly provided or unless the context otherwise requires) the singular includes the plural, the masculine includes the feminine, and the following terms shall have the meanings specified in this Article, unless the context otherwise requires:

"Act" means the Illinois Environmental Facilities Financing Act, Illinois Revised Statutes 1979, ch. 127, Section 721 et seq., as from time to time amended and supplemented.

"Additional Bonds" means the additional parity bonds of any series other than the Series 1980 Bonds authorized to be issued by the Issuer pursuant to the terms and conditions of Section 301 hereof.

"Agreement" means the Loan Agreement of even date herewith executed by and between the Issuer and the Company, as from time to time amended and supplemented.

"Authorized Newspaper" and "Authorized Financial Journal" shall mean, respectively, a newspaper or financial journal of general circulation and in each case, in English, customarily distributed each business day in The City of New York, New York and in the City of Chicago, Illinois. When

successive publications in an Authorized Newspaper or an Authorized Financial Journal are required, they may be made in the same or different Authorized Newspapers or Authorized Financial Journals.

"Bond" or "Bonds" means any one or more of the Solid Waste Disposal Revenue Bonds (Waste Management, Inc. Project), including the Series 1980 Bonds and any Additional Bonds, authorized and issued by the Issuer, authenticated by the Trustee and delivered hereunder.

"Bond Counsel" means the counsel who rendered the opinion as to the tax-exempt status of interest on the Series 1980 Bonds, or if an opinion required by this Indenture or the Agreement is unavailable from such counsel, then other nationally recognized municipal bond counsel mutually acceptable to the Issuer, the Trustee and the Company.

"Bond Fund" means the Illinois Environmental Facilities Financing Authority Bond Fund - Waste Management, Inc. Project created by Section 402 hereof.

"Bondholder" or "holder of Bonds" or "owner of Bonds" means the bearer of any coupon Bond not registered as to principal or registered as to principal to bearer, and the registered owner of any Bond. The word "holder", when used with reference to a coupon, shall mean the bearer of such coupon.

"Certified Resolution" means a copy of one or more resolutions certified by the Executive Director or any officer of the Issuer under its seal to have been duly adopted by the Issuer and to be in effect on the date of such certification.

"Code" means the United States Internal Revenue Code of 1954, as amended, and all regulations promulgated thereunder.

"Company" means Waste Management, Inc. and any surviving, resulting or transferee corporation as permitted in Section 5.3 of the Agreement.

"Counsel" means an attorney at law or a firm of attorneys (who may be an employee of or counsel to the Issuer or the Company) duly admitted to the practice of law before the highest court of any state of the United States of America.

The term "coupon" means any of the coupons evidencing the semiannual installments of interest on the applicable coupon Bond or Bonds.

"Default" or "event of default" means any occurrence or event specified in and defined by Section 901 hereof.

"Extraordinary Services" and "Extraordinary Expenses" mean all services rendered and all reasonable expenses incurred under this Indenture other than Ordinary Services and Ordinary Expenses.

"Indenture" means these presents as supplemented and amended by any supplemental indentures executed by the Issuer and the Trustee pursuant to Article XI hereof.

"Issuer" means the Illinois Environmental Facilities Financing Authority, the party of the first part hereto and its successors, and any public instrumentality resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"Ordinary Services" and "Ordinary Expenses" mean those services rendered and those reasonable expenses, including fees of counsel, incurred by the Trustee hereunder which are equivalent to those services normally rendered and those reasonable expenses normally incurred by a trustee under instruments similar to this Indenture.

"Outstanding" or "outstanding", in connection with Bonds (or a series of Bonds) means, as of the time in question, all Bonds (or all Bonds of such series) authenticated and delivered under this Indenture, except:

A. Bonds theretofore cancelled or required to be cancelled under Section 208 hereof;

B. Bonds for the payment or redemption of which the necessary amount shall have been or shall concurrently be deposited with the Trustee or for which provision for the payment of which shall have been made in accordance with Article XIII hereof; provided that, if such Bonds are being redeemed prior to maturity, the required notice of redemption shall have been given or provision satisfactory to the Trustee shall have been made therefor; and

C. Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to Article II hereof.

"Paying Agent" means any paying agent for the Bonds and coupons (which may include the Trustee) and its successor or successors appointed pursuant to the provisions of this Indenture.

"Person" means natural persons, partnerships, associations, corporations, trusts and public bodies.

"Project" means the land, structures, machinery, equipment, systems or processes, or any portion thereof, which are (i) Exempt Facilities, (ii) used or to be used in connection with the operations of the Company, or one of its wholly owned subsidiaries, in Illinois and (iii) briefly described in Exhibit A to the Agreement, as said Exhibit A may from time to time be amended.

"Project Fund" means the Illinois Environmental Facilities Financing Authority Project Fund - Waste Management, Inc. Project created by Section 406 hereof.

"Revenues" means (i) all amounts payable from time to time by the Company in respect of the indebtedness under the Agreement, (ii) any portion of net proceeds of the Bonds deposited with the Trustee under Section 403 hereof for the payment of accrued interest, (iii) any amounts paid into the Bond Fund from the Project Fund or the escrow account referred to in Section 3.4 of the Agreement and (iv) any earnings on moneys on deposit in the Bond Fund. Revenues shall not include any amounts payable by the Company pursuant to Sections 5.4, 5.10 and 6.4 of the Agreement.

"Series 1980 Bonds" means the \$25,000,000 aggregate principal amount of Bonds to be issued by the Issuer hereunder to finance a portion of the Project.

"Trustee" means Continental Illinois National Bank and Trust Company of Chicago, the party of the second part hereto and any successor trustee appointed pursuant to Section 1005 or 1008 hereof at the time serving as successor trustee hereunder and shall include any co-trustee serving as such hereunder.

The words "hereof", "herein", "hereto", "hereby", and "hereunder" (except in the form of Bond) refer to this



Indenture as a whole.

Every "request", "order", "demand", "application", "appointment", "notice", "statement", "certificate", "consent" or similar action hereunder by the Issuer shall, unless the form thereof is specifically provided herein, be in writing signed by a duly authorized officer or agent of the Issuer.

All other terms used herein which are defined in the Agreement shall have the same meanings assigned them in the Agreement unless the context otherwise requires.

## ARTICLE II

### THE BONDS

Section 201. Amounts and Terms - Series 1980 Bonds and Bonds of Other Series. Except as provided in Section 206 hereof, the Series 1980 Bonds shall be limited to \$25,000,000 in aggregate principal amount, and shall contain substantially the terms recited in the forms of Bond above. Other series of Bonds may be issued hereunder in accordance with Section 301 hereof. All Bonds shall provide that the principal thereof, premium, if any, and interest thereon, shall be payable only out of the Revenues. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the Bonds.

Section 202. The Series 1980 Bonds. There shall be issued and secured by this Indenture the Series 1980 Bonds to be designated "Illinois Environmental Facilities Financing Authority Solid Waste Disposal Revenue Bonds (Waste Management, Inc. Project) Series 1980". Such Series 1980 Bonds shall bear interest from their respective dates and shall be issuable as coupon Bonds, registrable as to principal only, in the denomination of \$5,000 and as fully registered Bonds without coupons in the denominations of \$5,000 and any integral multiple thereof. Unless the Issuer shall otherwise direct, the fully registered Series 1980 Bonds shall be lettered R and shall be numbered separately from 1 upward, and the coupon Series 1980 Bonds shall be numbered separately from 1 upward.

The coupon Series 1980 Bonds shall be dated as of September 1, 1980 and shall bear interest from such date payable semiannually on March 1 and September 1 of each year with the first interest payment to be made on March 1, 1981. Fully

registered Series 1980 Bonds shall be dated as of the March 1 or September 1 next preceding their date of issue, or if issued on a March 1 or September 1, as of such date, and shall bear interest payable semiannually from their date; provided that if interest on the Series 1980 Bonds shall be in default, fully registered Series 1980 Bonds issued in exchange for Series 1980 Bonds surrendered for transfer or exchange shall be dated as of the date to which interest has been paid in full on the Series 1980 Bonds so surrendered.

The Series 1980 Bonds shall bear interest at the rate of seven and three eighths per cent (7-3/8%) per annum and shall mature on September 1, 1983.

Section 203. Registration, Transfer and Exchange.

The Issuer shall cause books for the registration and transfer of the Bonds to be kept at the principal corporate trust office of the Trustee and hereby appoints the Trustee its registrar and transfer agent to keep such books.

Upon surrender for transfer of any fully registered Bond at such office, the Issuer shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denomination of the same series and maturity for the aggregate principal amount which the registered owner is entitled to receive. Upon presentation for registration of any coupon Bond at such office, such Bond shall be registered as to principal in the name of the holder and the fact of such registration shall be noted on the Bond by the Trustee. No transfer of any coupon Bond so registered shall be binding upon the Trustee unless made at such office, and similarly noted on the Bond, but the same shall be discharged from registration by being in like manner endorsed to bearer, whereupon transferability by delivery shall be restored. Coupon Bonds shall continue to be subject to successive registrations and discharges from registration at the option of the holders. Such registration of any coupon Bond shall not affect the transferability by delivery of the coupons appertaining thereto, which shall continue to be payable to bearer and transferable by delivery.

Any Bond in fully registered form shall be exchangeable for coupon Bonds of the same series, maturity and interest rate, payable to bearer or registered as to principal only, of any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the fully registered Bond or Bonds presented for exchange. Any Bond in coupon form shall

be exchangeable for a fully registered Bond without coupons of the same series, maturity and interest rate, in any authorized denomination, but in a principal amount equal to the unpaid principal amount of the coupon Bond or Bonds presented for exchange. Bonds to be exchanged shall be surrendered at the principal corporate trust office of the Trustee, and the Issuer shall execute and the Trustee shall authenticate and deliver in exchange therefor the Bond or Bonds which the Bondholder making the exchange shall be entitled to receive. All coupon Bonds delivered in exchange shall have attached all unmatured coupons appertaining thereto and (in case at the time of any such exchange interest on such Bonds is in default) all matured coupons in default. Notwithstanding the provisions of Section 202 hereof, all Bonds delivered in exchange shall be so dated or have such coupons attached thereto so that neither gain nor loss in interest shall result from the transfer or exchange.

All fully registered Bonds and all coupon Bonds registered as to principal presented for transfer, exchange, registration, discharge from registration, redemption or payment (if so required by the Issuer or the Trustee), shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Issuer and the Trustee, duly executed by the registered holder or by his duly authorized attorney.

No service charge shall be made for any exchange, transfer, registration or discharge from registration of Bonds, but the Issuer and the Trustee shall require payment by the holder or owner thereof of a sum sufficient to cover any tax or other governmental charge that is imposed in relation thereto.

The Trustee will not be required (i) to exchange or transfer any Bond after the August 15 and February 15, whether or not a Business Day, (the "Record Date") next preceding any interest payment date of such Bond or (ii) to exchange or transfer any Bond after the first publication or the mailing of notice calling such Bond or any portion thereof for redemption as provided herein or during the 15 days preceding such notice of redemption.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the Bonds surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

The Issuer and the Trustee may treat the bearer of any Bond if it is not registered, or, if it is registered (except as to bearer), the registered owner, as the absolute owner thereof and the bearer of any interest coupon appertaining thereto as the absolute owner thereof for all purposes, whether or not such Bond or such coupon shall be overdue, and shall not be bound by any notice to the contrary. The person in whose name any registered Bond is registered may be deemed the absolute owner thereof by the Issuer and the Trustee, and any notice to the contrary shall not be binding upon the Issuer or the Trustee.

Section 204. Execution: Limited Obligation. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of its Chairman or its Vice-Chairman and attested with the manual or facsimile signature of its Secretary or Assistant Secretary and shall have impressed or printed thereon the corporate seal of the Issuer or a facsimile of the corporate seal of the Issuer. Any such facsimile signature shall have the same force and effect as if said Chairman or Vice-Chairman or said Secretary or Assistant Secretary, as the case may be, had manually signed each of said Bonds. The coupons attached to the coupon Bonds shall be executed by the facsimile signature of said Chairman or Vice-Chairman and such facsimile signature shall have the same force and effect as if said officer had manually signed each of said coupons.

In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds or coupons shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

The Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the revenues and receipts derived under the Agreement (except as provided in this Indenture and the Agreement to the extent paid out of moneys attributable to the Bond proceeds or the income from the temporary investment thereof) and shall be a valid claim of the respective holders thereof only against the Bond Fund and other moneys held by the Trustee and the Revenues, which Revenues shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in this Indenture

and the Agreement. The Bonds and the coupons appertaining to the coupon Bonds shall not be deemed to constitute a debt or liability of the State of Illinois or any political subdivision thereof but shall be payable solely from the Revenues (except as provided in this Indenture and the Agreement, to the extent paid out of moneys attributable to the Bond proceeds or the income from the temporary investment thereof). The issuance of the Bonds shall not, directly or indirectly or contingently, obligate the Issuer, the State of Illinois or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. Nothing in the Bonds or the coupons appertaining to the coupon Bonds or in the Indenture or the proceedings of the Issuer authorizing the Bonds or in the Act shall be construed to authorize the Issuer to create a debt of the State of Illinois or any political subdivision thereof within the meaning of any constitutional or statutory provision of the State of Illinois. The principal of, premium, if any, and interest on, the Bonds are payable solely from the funds pledged for their payment in accordance with the resolutions authorizing their issuance and this Indenture. Neither the State of Illinois nor any political subdivision thereof shall in any event be liable for the payment of the principal of, premium, if any, or interest on, the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Issuer. No breach of any such pledge, obligation or agreement may impose any pecuniary liability upon the State of Illinois or any political subdivision thereof or any charge upon their general credit or against their taxing power.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on, any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained, against any past, present or future officer, director, member, employee or agent of the Issuer, or any incorporator, officer, director, member, employee or agent of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director, member, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of any of the Bonds.

The provisions of this Indenture and the Series 1980

Bonds to the effect that the Series 1980 Bonds are subject to redemption if unreasonable burdens or excessive liabilities shall be imposed upon the Issuer or the Company with respect to the Project or the operation thereof, as provided in Section 701(4) hereof, shall not be deemed or construed to imply in any way that the Issuer has any pecuniary liabilities or obligations by virtue of the issuance of the Series 1980 Bonds other than those which are payable solely out of the revenues and receipts derived under the Agreement, including the Revenues (except to the extent paid out of moneys attributable to the proceeds of the sale of the Bonds or the income from the temporary investment thereof).

Section 205. Authentication. No Bond and no coupon appertaining to any coupon Bond shall be valid for any purpose until the certificate of authentication on such Bond shall have been duly executed by the Trustee, and such authentication shall be conclusive proof that such Bond has been duly authenticated and delivered under this Indenture and that the holder thereof is entitled to the benefits of the trust hereby created. Before authenticating any coupon Bond, the Trustee shall, except as otherwise expressly provided, detach and cancel any matured coupons appertaining thereto. Such cancelled coupons shall be held by the Trustee; provided that such coupons may be destroyed at any time by the Trustee in accordance with Section 208 hereof.

Section 206. Mutilated, Destroyed, Lost or Stolen Bonds. If any Bond (or any coupon appertaining to any Bond) shall become mutilated, the Issuer shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like date, maturity and denomination (with proper coupons, if any, attached) in exchange and substitution for the Bond (and the coupons, if any, thereto appertaining) so mutilated, but only upon surrender to the Trustee of such mutilated Bond (and coupons, if any) for cancellation, and the Issuer and the Trustee shall require reasonable indemnity satisfactory to the Company therefor. If any Bond shall be reported destroyed, lost or stolen, evidence as to the ownership thereof and the destruction, loss or theft thereof shall be submitted to the Issuer and the Trustee; and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the Issuer shall execute, and thereupon the Trustee shall authenticate and deliver, a new Bond of like date, maturity and denomination (with proper coupons, if any, attached). The cost of providing any substitute Bond under the provisions of this Section shall be borne by the Bondholder for whose benefit such substitute

Bond is provided. If any such mutilated, destroyed, lost or stolen Bond shall have matured or be about to mature, the Issuer may, with the consent of the Trustee, pay to the owner the principal amount of such Bond upon the maturity thereof and the compliance with the aforesaid conditions by such owner, without the issuance of a substitute Bond therefor, and likewise pay to the owner the amount of the unpaid coupons, if any, which would have been attached to such a substitute Bond had one been issued, without the issuance of any substitute coupon therefor. If any coupon shall be reported to have been detached from the Bond to which it appertained and to have been mutilated, destroyed, lost or stolen, upon compliance by the owner thereof with like conditions specified in the aforesaid provisions relating to surrender, indemnity and evidence, the Issuer may, on or after the maturity date of such coupon, pay the amount thereof to such owner, without the issuance of any substitute coupon therefor.

Every substituted Bond with its coupons (if any) issued pursuant to this Section 206 shall constitute an additional contractual obligation of the Issuer, whether or not the Bond or coupons alleged to have been mutilated, destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds and coupons duly issued hereunder.

All Bonds and coupons shall be held and owned upon the express condition that the foregoing provisions are, to the extent permitted by law, exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and coupons, and shall preclude any and all other rights or remedies.

Section 207. Temporary Bonds. Pending preparation of definitive Bonds of any series, or by agreement with the purchasers of all Bonds of any series, the Issuer may issue and, upon its request, the Trustee shall authenticate, in lieu of definitive Bonds, one or more temporary printed or typewritten Bonds in denominations of \$5,000 or integral multiples thereof of substantially the tenor recited above. If temporary Bonds are issued, the Issuer will cause definitive Bonds to be prepared without unreasonable delay. Upon request of the Issuer, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

Section 208. Cancellation and Destruction of Surrendered Bonds. Bonds and coupons surrendered for payment or redemption, fully registered Bonds surrendered for exchange pursuant to Section 203 hereof and Bonds purchased from any moneys held by the Trustee hereunder or surrendered to the Trustee by the Company shall be cancelled promptly and destroyed by the Trustee. The Trustee shall deliver to the Issuer a certificate of destruction in respect of all Bonds and coupons so destroyed.

Coupon Bonds and the unmatured coupons appertaining thereto surrendered to the Trustee for exchange pursuant to Section 203 hereof shall be held without cancellation by the Trustee and may be used for subsequent exchanges pursuant to Section 203 hereof.

Section 209. List of Bondholders. The Trustee will keep on file a list of names and addresses of all holders of coupon Bonds who may request that their names and addresses be placed on said list by filing a written request with the Trustee, which request shall include a statement of the principal amount of Bonds held by such holder and the numbers of such Bonds. To said list the Trustee shall add the names and addresses of the holders of all Bonds which may from time to time be registered as to principal or fully registered on the registration books of the Issuer maintained by the Trustee as Bond Registrar, together with the principal amount and numbers of such Bonds. The Trustee shall be under no responsibility with regard to the accuracy of said list. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Company or by holders or owners (or a designated representative thereof) of 15% or more in principal amount of Bonds then outstanding, such possession or ownership and the authority of such designated representative to be evidenced to the satisfaction of the Trustee.

### ARTICLE III

#### ISSUE OF BONDS

Section 301. Delivery of Series 1980 Bonds: Additional Bonds. Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee and the Trustee



shall authenticate the Series 1980 Bonds to be issued on said date and deliver them to or upon the order of the Issuer as hereinafter in this Section 301 provided.

~~Prior to the delivery by the Trustee of any of the Series 1980 Bonds there shall be filed with the Trustee:~~ ✓

1. A Certified Resolution authorizing the execution and delivery of the Agreement and this Indenture and the issuance of the Series 1980 Bonds.

2. Original executed counterparts of the Agreement and this Indenture.

3. A request and authorization to the Trustee from the Issuer, signed by two authorized officers of the Issuer, to authenticate and deliver the Series 1980 Bonds to the Issuer or to the persons therein identified upon payment to the Issuer of a sum specified in such request and authorization equal to the purchase price thereof plus accrued interest thereon to the date of delivery. Such proceeds shall be paid over to the Trustee and deposited to the credit of the Bond Fund and the Project Fund as hereinafter provided under Article IV hereof.

4. A counterpart of a private ruling from the Internal Revenue Service of the United States Department of the Treasury, certified by the Secretary of the Issuer, or an opinion of Bond Counsel to the effect that interest paid on the Series 1980 Bonds will not be includible in the gross income of the holder thereof for Federal income tax purposes except with respect to interest on any Series 1980 Bonds for any period during which such Bonds are held by a person who is a substantial user of the Project, or any person considered to be related to such person, within the meaning of Section 103(b)(9) or Section 103(b)(6)(C), respectively, of the Code.

5. A certificate executed by an officer of the Issuer to the effect that after the issuance of the Series 1980 Bonds the aggregate principal amount of the Issuer's bonds issued and outstanding will not

be greater than the sums authorized by the Act for other than small businesses.

Additional Bonds may be issued for the purposes set forth in Section 3.2 of the Agreement. If it is determined by the Company that improvements (as defined in Section 3.2 of the Agreement) are desired, the Company may file with the Issuer and the Trustee an estimate indicating the total costs of the proposed improvements.

Thereupon the Issuer and the Company may from time to time agree upon and approve the issuance and delivery of Additional Bonds in such amount as shall be determined by said parties. All Additional Bonds shall be secured by the lien of this Indenture equally and ratably with the Series 1980 Bonds and rank pari passu with the Series 1980 Bonds, but shall bear such date or dates, bear interest at such rate or rates, have such maturity dates, redemption dates and redemption premiums, be issued at such prices and contain such other provisions as shall be approved in writing by the Issuer and the Company.

Upon the execution and delivery in each instance of appropriate supplements or amendments to this Indenture and to the Agreement the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate, such Additional Bonds and deliver them to the purchasers as may be directed by the Issuer, as hereinafter in this Section 301 provided. Prior to the delivery by the Trustee of any of such Additional Bonds there shall be filed with the Trustee:

1. A written statement by the Company approving (a) the issuance and delivery of such Additional Bonds and agreeing that the amounts payable under Section 4.2 of the Agreement shall be computed so as to include such Additional Bonds to the same extent as is therein provided with respect to the Series 1980 Bonds and (b) any other matters to be approved by the Company pursuant to Section 3.2 of the Agreement and this Section 301.

2. A Certified Resolution theretofore adopted and approved by the Issuer authorizing the execution and delivery of such supplemental indenture and the issuance of such Additional Bonds.

3. A request and authorization to the Trustee on behalf of the Issuer and signed by the Chairman and Secretary or Assistant Secretary of the Issuer and approved in writing by the Company to authenticate and deliver such Additional Bonds to the purchasers therein identified upon payment to the Issuer of a sum specified in such request and authorization equal to the purchase price thereof plus accrued interest thereon to the date of delivery. Such proceeds shall be paid over to the Trustee and deposited to the credit of the Bond Fund and Project Fund as hereinafter provided under Article IV hereof.

4. A counterpart of a private ruling from the Internal Revenue Service of the United States Department of the Treasury, certified by the Secretary of the Issuer, or an opinion of Bond Counsel to the effect that the issuance and sale of the Additional Bonds will not result in interest on the Series 1980 Bonds or any Additional Bonds theretofore issued becoming includible in the gross income of the holders thereof for Federal income tax purposes and to the effect that the interest on the Additional Bonds will not be includible in the gross income of the holders thereof for Federal income tax purposes, with appropriate exceptions in such opinion with respect to interest on any Bonds for any period during which such Bonds are held by a person who is a substantial user of the Project or any person considered to be related to such person within the meaning of Section 103(b)(9) or Section 103(b)(6)(C), respectively, of the Code; and a written opinion or opinions of Bond Counsel to the effect that:

(a) The indenture supplemental hereto providing for the issuance of the Additional Bonds has been duly authorized, executed and delivered by the Issuer and constitutes a valid and legally binding instrument in accordance with its terms (except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting generally the enforcement of creditors' rights), and the Additional Bonds have been validly authorized and executed and, when authenticated and delivered pursuant to

the request of the Issuer, will be valid and legally binding obligations of the Issuer in accordance with their terms (except as aforesaid) entitled to the benefits and security created by this Indenture;

(b) all conditions precedent to the delivery of such Additional Bonds have been fulfilled;

(c) the documents and instruments then being submitted to the Trustee in connection with the request then being made comply with the requirements of the Indenture; and

(d) covering such other matters as the Trustee may reasonably request.

5. A statement executed by an officer of the Issuer to the effect that after the issuance of the Additional Bonds the aggregate principal amount of the Issuer's bonds at that time issued and outstanding is not greater than the amount then authorized by the Act for companies similar to the Company.

#### ARTICLE IV

##### REVENUES AND FUNDS

Section 401. Source of Payment of Bonds. The Bonds and all payments required of the Issuer hereunder are not general obligations of the Issuer but are limited obligations as described in Section 204 hereof.

Section 402. Creation of the Bond Fund. There is hereby created by the Issuer and ordered established with the Trustee a trust fund to be designated "Illinois Environmental Facilities Financing Authority Bond Fund - Waste Management, Inc. Project" (which is referred to herein as the "Bond Fund"), which shall be used to pay the principal of, premium, if any, and interest on, the Bonds.

Section 403. Payments into the Bond Fund. There shall be deposited into the Bond Fund all accrued interest received at the time of the issuance and delivery of the Bonds. In addition, there shall be deposited into the Bond Fund, as and when received, (a) any amount in the Project Fund or the escrow account referred to in Section 3.4 of the Agreement, in either case to the extent provided in such Section; (b) all payments specified in Section 4.2 of the Agreement; (c) all prepayments specified in Article VII of the Agreement; and (d) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund. The Trustee shall give notice to the Company by telephone if the Trustee has failed to receive the payments by 12:00 Noon, Chicago, Illinois time, on the date when due under Section 4.2 of the Agreement.

Upon a declaration of acceleration following the occurrence of an event of default hereunder, or redemption of all of the Series 1980 Bonds pursuant to Section 701 hereof, any moneys remaining in the Project Fund shall be deposited in a special account in the Bond Fund and shall be used to pay principal on the Series 1980 Bonds.

The Issuer hereby covenants and agrees that so long as any of the Bonds issued hereunder are outstanding it will deposit, or cause to be deposited, in the Bond Fund sufficient sums from Revenues promptly to meet and pay the principal of, premium, if any, and interest on, the Bonds as the same become due and payable. Nothing herein shall be construed as requiring the Issuer to use any funds or revenues from any source other than Revenues.

Section 404. Use of Moneys in the Bond Fund. Except as provided in Section 411 hereof, moneys in the Bond Fund shall be used solely for the payment of the principal of, premium, if any, and interest on, the Bonds and for the redemption of the Bonds at or prior to maturity pursuant to Article VII hereof. Whenever the amount in the Bond Fund from any source whatever is sufficient to redeem all of the outstanding Bonds, the Issuer will take or cause to be taken the necessary steps to redeem all of the Bonds on the next succeeding redemption date for which the required redemption notice may be given.

Section 405. Custody of the Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of, premium, if any, and interest on, the Bonds as the same become due and payable, which authorization and direction the Trustee hereby accepts.

Section 406. Project Fund: Disbursements. There is hereby created by the Issuer and ordered established with the Trustee a trust fund in the name of the Issuer to be designated "Illinois Environmental Facilities Financing Authority Project Fund - Waste Management, Inc. Project" (which is sometimes herein referred to as the "Project Fund"). The balance of the proceeds received by the Issuer upon the sale of Series 1980 Bonds remaining after the deposit of the accrued interest in the Bond Fund has been made shall be deposited in the Project Fund. The Issuer hereby authorizes and directs the Trustee to use the moneys in the Project Fund for payment of the Cost of the Project in accordance with the Agreement and for payment into the Bond Fund in accordance with Section 403 hereof.

The Trustee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and after each such disbursement, the Trustee shall file an accounting thereof with the Issuer and with the Company.

Section 407. Completion of the Project. The completion of the Project and payment of all costs and expenses incident thereto shall be evidenced by the filing with the ~~Trustee of the certificate of the Authorized Company Representative~~ required by the provisions of Section 3.4 of the Agreement. Any balance remaining in the Project Fund after the Completion Date (other than the amounts retained by the Trustee for Costs not then due and payable) shall be disbursed in accordance with the provisions of Section 3.4 of the Agreement.

Section 408. Non-Presentation of Bonds or Coupons. In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, or in the event any coupon shall not be presented for payment at the due date thereof, if moneys sufficient to pay such Bond or coupon shall have been deposited in the Bond Fund, all liability of the Issuer to the holder thereof for the payment of such Bond or coupon, as the case may be, shall forthwith cease, determine

and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the holder of such Bond or coupon, as the case may be, who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond or coupon.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds and coupons within five years after the date on which the same shall have become due shall be repaid by the Trustee to the Company upon direction of an Authorized Company Representative or an Authorized Issuer Representative, and thereafter Bondholders shall be entitled to look only to the Company for payment and then only to the extent of the amount so repaid, and the Company shall not be liable for any interest thereon and shall not be regarded as a trustee of such money; provided, however that the Trustee, if any coupon Bonds not registered as to principal are at the time outstanding, before being required to make any such repayment may, at the expense of the Company, give notice by publication at least once in each of two successive calendar weeks, on any day of each such weeks, in an Authorized Newspaper or an Authorized Financial Journal, stating that such moneys have not been so applied and that after a date specified therein any unclaimed balance of said moneys then remaining will be repaid to the Company.

Section 409. Trustee's and Paying Agents' Fees, Charges and Expenses. The Trustee agrees that the Issuer shall have no liability for any fees, charges and expenses of the Trustee, and the Trustee agrees to look only to the Company for the payment of all reasonable fees, charges and expenses of the Trustee and any paying agents as provided in the Agreement and in this Indenture. It is further understood and agreed that the reasonable initial or acceptance fees of the Trustee and the fees, charges and expenses of the Trustee and its counsel and paying agents referred to in the preceding sentence which become due prior to the time the Company begins to pay the same, will be paid to the respective parties from the Project Fund as and when the same shall become due.

*Trustee  
Fees*

Section 410. Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Trustee for account of the Bond Fund, the Project Fund or the escrow account referred to in Section 3.4 of the Agreement under any provision of this Indenture or the Agreement shall be held by the Trustee in trust

and applied for the purposes herein or in the Agreement specified.

Section 411. Repayment to the Company from the Bond Fund. Any amounts remaining in the Bond Fund after payment in full of the principal of, premium, if any, and interest on, the Bonds (or provision for payment thereof as provided in this Indenture), the fees, charges and expenses of the Issuer, the Trustee and any paying agent and all other amounts required to be paid under the Agreement and this Indenture shall be paid to the Company as provided in Section 8.6 of the Agreement.

## ARTICLE V

### REVENUES AND APPLICATION THEREOF

Section 501. Revenues to be Paid Over to Trustee. The Issuer will cause the Revenues to be paid to the Trustee for deposit in the Bond Fund.

Section 502. Payments of Principal, Premium and Interest. The Trustee shall make available to the Issuer's paying agent or agents from Revenues received by the Trustee sufficient amounts to pay the principal of, premium, if any, and interest on, the Bonds as the same become due and payable.

Section 503. Revenues to Be Held for All Bondholders: Certain Exceptions. Revenues and investments thereof shall, until applied as provided in this Indenture, be held by the Trustee for the benefit of the holders of all Outstanding Bonds, except that any portion of the Revenues representing principal of, premium, if any, and interest on, any Bonds previously called for redemption in accordance with Article VII of this Indenture or previously matured shall be held for the benefit of the holders of such Bonds only and shall not be deposited or invested pursuant to Article VI hereof, notwithstanding any provision of Article VI.

## ARTICLE VI

### INVESTMENT OF MONEYS

Section 601. Investment of Project Fund Moneys. Any moneys held as part of the Project Fund shall be invested or reinvested by the Trustee in accordance with the provisions



of Section 3.7 of the Agreement. The direction and written confirmation specified in Section 3.7 of the Agreement shall specify the issuer or obligor, the principal amount, maturity date and interest rate of such investment. Any such investment shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Project Fund and the interest accruing thereon, if any, and any profit realized from such investments shall be credited to the Project Fund. Any loss resulting from such investments shall be charged to the Project Fund.

Section 602. Investment of Moneys in the Bond Fund and the Escrow Account. Any moneys held as part of the Bond Fund or the escrow account referred to in Section 3.4 of the Agreement shall be invested or reinvested by the Trustee in accordance with the provisions of Section 3.7 (and, with respect to the escrow account, Section 3.4) of the Agreement. The direction and written confirmation specified in Section 3.7 of the Agreement shall specify the issuer or obligor, the principal amount, maturity date and interest rate of such investment. Any such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Bond Fund or the escrow account as the case may be and the interest accruing thereon, if any, and any profit realized therefrom shall be credited to the Bond Fund or the escrow account respectively and any loss resulting from such investments shall be charged to the Bond Fund or the escrow account respectively.

Section 603. Investments through Trustee's Bond Department. The Trustee may make any and all investments permitted by the provisions of Section 601 and 602 through its own bond department. Notwithstanding any other provision of this Article VI or Section 3.7 of the Agreement, no direction or confirmation shall direct any investment the effect of which would be to make the Bonds "arbitrage bonds" under Section 103(c) of the Code. The Trustee may follow the advice or direction of Bond Counsel as to investments which may be made in compliance with the preceding sentence.

Upon the written direction of the Company or the Issuer, the Trustee shall confirm in writing any investment made with the moneys in the Project Fund, the Bond Fund or the escrow account referred to in Section 3.4 of the Agreement.

The Trustee shall answer all reasonable inquiries from the Company or the Issuer as to the status of moneys in each of such funds. The Trustee shall file with the Issuer a copy of any statements that it delivers to the Company with respect to the investment of any funds held under this Indenture.

## ARTICLE VII

### REDEMPTION OF BONDS BEFORE MATURITY

Section 701. Redemption Dates and Prices. The Series 1980 Bonds shall be redeemed at any time in whole or in part (and if in part by lot in such manner as may be designated by the Trustee) at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date upon receipt by the Trustee of a written notice from the Company stating that it intends to exercise its option pursuant to Section 7.1 of the Agreement and thereby effect the redemption of the Series 1980 Bonds in whole or in part and that any of the following events has occurred within the preceding 120 days:

(1) any portion of the Project the original cost of which is equal to or greater than \$500,000 shall have been damaged or destroyed; or

(2) any portion of the Project the original cost of which is equal to or greater than \$500,000 shall have been condemned or the use or control thereof shall have been taken by eminent domain so as to render such portion of the Project unsatisfactory to the Company for its continued operation; or

(3) in the opinion of the Company, changes in the economic availability of materials, labor, supplies, equipment, facilities or things necessary for the operation of any portion of the Project the original cost of which is equal to or greater than \$500,000 shall have occurred or such technological or other changes shall have occurred which render such portion of the Project uneconomical for the purpose for which it was intended; or

(4) as a result of any changes in the Constitution of the State of Illinois or the Constitution of the United States of America or by legislative or administrative action (whether State or Federal) or by final decree, judgment or order

of any court or administrative body (whether State or Federal), the Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement, or unreasonable burdens or excessive liabilities shall have been imposed on the Issuer or the Company with respect to the Project including, without limitation, Federal, State or other ad valorem, property, income or other taxes not being imposed on the date of the Agreement.

If any event described in (1), (2) or (3) gives rise to the Company's exercise of its option to cause a redemption under this Section, the principal amount of Series 1980 Bonds to be redeemed shall be no greater than the original cost of the portion of the Project affected by the event. If the event described in (4) gives rise to the Company's exercise of its option to cause the redemption, the Series 1980 Bonds shall be redeemed as a whole.

The Series 1980 Bonds shall be redeemed by the Issuer at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, in whole, or in part as hereinafter described, on any interest payment date not less than 90 nor more than 270 days after any occurrence of the following event, upon obligatory prepayment by the Company pursuant to Section 7.2 of the Agreement of all or part of the indebtedness due or to become due under the Agreement, in the event of a final determination by the Internal Revenue Service or a court of competent jurisdiction as a result of a proceeding in which the Company participates to the degree it deems sufficient, which determination the Company, in its discretion, does not contest by an appropriate proceeding, that, as a result of the failure by the Company to observe any covenant, agreement or representation by the Company in the Agreement, the interest payable on the Series 1980 Bonds or any of them is includable for Federal income tax purposes in the gross income of any holder thereof (other than a holder who is a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) and Section 103(b)(6)(C), respectively, of the Code, and the applicable regulations thereunder). Upon any such occurrence the Series 1980 Bonds will be redeemed in whole unless redemption of a portion of the Series 1980 Bonds outstanding would have the result that interest payable on the Series 1980 Bonds remaining outstanding after such redemption will not be includable in the gross income of any holder thereof (other than a holder who is a "substantial user" of the Project or

a "related person" within the meaning of Section 103(b)(9) and Section 103(b)(6)(C), respectively, of the Code, and the applicable regulations thereunder), in which event the Series 1980 Bonds shall be redeemed from time to time by lot in such amount as to accomplish that result.

The Series 1980 Bonds are also subject to optional redemption prior to maturity by the Authority at the request of the Company on any date after August 31, 1981, in whole or in part by lot in such manner as may be designated by the Trustee, at a redemption price equal to 100.5% of the principal amount thereof from September 1, 1981 through August 31, 1982 and at a redemption price equal to 100% of the principal amount thereof thereafter, plus in each case accrued interest to the redemption date.

Series 1980 Bonds shall be called for redemption by the Trustee pursuant to the foregoing table upon receipt by the Trustee at least 60 days prior to the redemption date of written notice from the Authorized Company Representative that a corresponding prepayment of the loan repayment will be made in accordance with the provisions of the Agreement. Such notice shall specify the redemption date, the principal amount of the Series 1980 Bonds so to be called for redemption and the applicable redemption price and the provision or provisions above specified pursuant to which such Bonds are to be called for redemption.

In case a fully registered Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 each or any integral multiple thereof.

Section 702. Notice of Redemption. Notice of the call for any redemption of the Bonds identifying the Bonds or portions thereof to be redeemed, shall be given by publication in an Authorized Newspaper or an Authorized Financial Journal not more than 60 and not less than 30 days prior to the redemption date, and in the case of the redemption of Bonds at the time registered as to principal (except to bearer) or fully registered, by mailing a copy of the redemption notice by first class mail to the registered owner of each Bond to be redeemed, at the address shown on the registration books of the Issuer maintained by the Trustee, not more than 60 and not less than 30 days prior to the redemption date; provided, however, that neither failure to give such notice by mailing,

nor any defect therein shall affect the validity of any proceedings for the redemption of Bonds with respect to other Bondholders. If all of said Bonds to be redeemed are at that time registered as to principal (except to bearer) or fully registered, notice by mailing given by first class mail to the registered owner or owners thereof, at their addresses shown on the registration books of the Issuer maintained by the Trustee, not more than 60 and not less than 30 days prior to the date fixed for redemption, shall be sufficient and published notice of the call for redemption need not be given; provided, however, that neither failure to give such notice by mailing nor any defect therein shall affect the validity of any proceedings for the redemption of Bonds with respect to other Bondholders. No further interest shall accrue after the redemption date on the principal of any Bond duly called for redemption if the redemption price therefor has been provided on the redemption date as required herein, and coupons for interest on such Bond maturing subsequent to the redemption date shall be void.

The Trustee shall use "CUSIP" numbers (if then generally in use) in notices of redemption as a convenience to Bondholders, provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption and that reliance may be placed only on the identification numbers containing the prefix established under the Indenture.

If, because of the temporary or permanent suspension of the publication or general circulation of any newspaper or financial journal or for any other reason, it is impossible or impractical to publish such notice of call for redemption in the manner herein provided, then such publication in lieu thereof as shall be determined by the Trustee shall constitute a sufficient publication of notice. In case by reason of the suspension of regular mail service, it shall be impractical to mail notice of any event to the holders of fully registered Bonds or coupon Bonds registered as to principal other than to bearer when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be sufficient giving of such notice.

Section 703. Unpaid Coupons. All unpaid coupons which appertain to Bonds called for redemption and which shall have become payable on or prior to the date fixed for redemption shall continue to be payable to the bearers thereof severally and respectively upon the presentation and surrender of such coupons as provided in Section 801 hereof.

Section 704. Partial Redemption of Fully Registered Bonds. Upon surrender of any fully registered Bond for redemption in part only, the Issuer shall execute and the Trustee shall authenticate and deliver to the holder thereof, at the expense of the Company, a new Bond or Bonds of authorized denominations of the same series maturing on the same date and bearing interest at the same rate in aggregate principal amount equal to the unredeemed portion of the Bond surrendered, which new Bond or Bonds shall, at the option of the holder, either be a coupon Bond or Bonds with all unmatured coupons appertaining thereto or a fully registered Bond or Bonds without coupons.

Section 705. Bond Redemption Fund for Refunding Issues. To the extent permitted by law, whenever the Issuer issues Bonds hereunder for refunding purposes, the Issuer may, by supplemental indenture authorizing such Bonds, direct the Trustee to establish a separate Bond Redemption Fund and to deposit therein the proceeds of the refunding Bonds, and any direct obligations of the United States of America as may be required or permitted. The supplemental indenture shall specify the application of moneys and obligations so deposited.

#### ARTICLE VIII

#### PAYMENT; FURTHER ASSURANCES; NO ARBITRAGE

Section 801. Payment of Principal of, Premium, if any, and Interest on, Bonds. The Issuer shall promptly pay or cause to be paid the principal of, premium, if any, and interest on, every Bond issued hereunder according to the terms thereof, but shall be required to make such payment or cause such payment to be made only out of Revenues. The Issuer shall at the direction of the Company appoint one or more paying agents for such purpose, each such agent to be a national banking association, a bank and trust company or a trust company. The Issuer hereby appoints the Trustee to act as a paying agent, and designates the principal corporate trust office of such agent as the place of payment for the Bonds, such appointment and designation to remain in effect until notice of change is filed with the Trustee. Payment of interest on the coupon Bonds

shall be made only upon presentation and surrender of the coupons representing such interest as the same respectively fall due. Payment of interest on any fully registered Bond shall be made to the registered owner thereof and by check or draft mailed to the registered owner at his address as it appears on the registration books of the Issuer maintained by the Trustee or at such other address as is furnished to the Trustee in writing by such registered owner.

Section 802. Further Assurances. Except to the extent otherwise provided in this Indenture, the Issuer shall not enter into any contract or take any action by which the rights of the Trustee or the Bondholders may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Indenture.

The Issuer shall be entitled to reimbursement from the Company for any action taken pursuant to this Section.

Section 803. Bonds Not to Be Arbitrage Bonds. On the basis of the Company's certification as to the accuracy of the statements contained in the certificate as to the absence of arbitrage which is to be delivered to the Issuer on the date of execution and delivery of this Indenture, the Issuer hereby certifies and reasonably expects that it is not expected that the proceeds of the Series 1980 Bonds will be used in a manner that would cause the Series 1980 Bonds to be arbitrage bonds under Section 103(c) of the Code.

Section 804. Financing Statements. The Issuer shall cause this Indenture or a financing statement relating thereto to be filed in such manner and at such places as may be required by law fully to protect the right, title and interest of the Trustee in and to the trust estate or any part thereof. From time to time, not less often than once every five years, the Trustee shall request that the Company furnish, and the Company shall furnish, to the Trustee an opinion of Counsel setting forth what, if any, actions by the Issuer or the Trustee should be taken to preserve the lien of this Indenture upon the trust estate or any part thereof. The Issuer shall execute or cause to be executed any and all further instruments as may be required by law or as shall reasonably be requested by the Trustee for such protection of the interests of the Trustee and the Bondholders, and shall furnish satisfactory evidence to the Trustee of filing and refiling of such instruments and of every additional instrument which shall be necessary to preserve the

lien of this Indenture upon the trust estate or any part thereof until the principal of, premium, if any, and interest on, the Bonds issued hereunder shall have been paid. The Trustee shall execute or join in the execution of any such further or additional instruments and file or join in the filing thereof at such time or times and in such place or places as it may be advised by an opinion of Counsel will preserve the lien of this Indenture upon the trust estate or any part thereof until the aforesaid principal and interest shall have been paid.

#### ARTICLE IX

##### DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 901. Defaults; Events of Default. If any of the following events occurs, it is hereby defined as and declared to be and to constitute a "default" or an "event of default":

(a) Failure to make due and punctual payment of any installment of interest upon any Bond;

(b) Failure to make due and punctual payment of the principal of and premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof or upon the maturity thereof by declaration; or

(c) The occurrence of an "event of default" under the Agreement.

Section 902. Acceleration. Upon the occurrence of an event of default described in Section 901 hereof and so long as such event is continuing the Trustee may, and upon the written request of the holders of not less than 25% in aggregate principal amount of Bonds then outstanding shall, by notice in writing delivered to the Company, with a copy of such notice being sent to the Issuer, declare the principal of all Bonds then outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable. Upon any such declaration, the Trustee shall declare all indebtedness payable under Section 4.2 of the Agreement to be immediately due and payable in accordance with Section 6.2 of the Agreement and Section 903 hereof.



While any Bonds are outstanding, the Issuer shall not exercise any of the remedies on default specified in Section 6.2 of the Agreement (except subparagraphs (b) and (c) thereof) without the prior written consent of the Trustee.

The above provisions of Sections 901 and 902 hereof, however, are subject to the conditions that if, following a default and after the Trustee shall have declared the principal of all Bonds then outstanding to be due and payable and before a judgment or decree for the payment of moneys due has been obtained by the Trustee, all arrears of interest upon such Bonds, and interest on overdue installments of interest (to the extent permitted by law) at a rate per annum which is equal to the rate per annum borne by the Bonds in respect of which such default shall have occurred and the principal of and premium, if any, on all Bonds then outstanding which shall have become due and payable otherwise than by acceleration, and all other sums payable under this Indenture, except the principal of, and interest on, the Bonds which by such declaration shall have become due and payable, shall have been paid by or on behalf of the Issuer, together with the reasonable expenses of the Trustee and of the holders of such Bonds, including reasonable attorneys' fees paid or incurred, and all other defaults have been cured or waived, then and in every such case, such default shall be waived and such declaration and its consequences rescinded and annulled by the Trustee by written notice given to the Issuer and the Company by registered mail, which waiver, rescission and annulment shall be binding upon all Bondholders; but no such waiver, rescission and annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon.

Section 903. Remedies; Rights of Bondholders. Upon the occurrence of an event of default, and so long as such event is continuing, the Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of, premium, if any, and interest on the Bonds then outstanding, and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth. In addition, the Trustee may, without notice to the Issuer or the Company, exercise any and all remedies afforded the Issuer under Article VI of the Agreement in its name or the name of the Issuer without the necessity of joining the Issuer.

If an event of default shall have occurred and be continuing and if requested so to do by the holders of not less

than 25% in aggregate principal amount of Bonds then outstanding, and if indemnified as provided in Section 1001 hereof, the Trustee shall be obliged to exercise such one or more of the rights and powers conferred by this Section 903 and Section 902 hereof as the Trustee being advised by Counsel shall deem most expedient in the interests of the Bondholders.

All remedies provided for herein shall be available only to the extent they are not prohibited by the Act, other Illinois laws or Illinois court decisions or any other applicable law.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right, power or remedy accruing upon any event of default shall impair any such right, power or remedy or shall be construed to be a waiver of any such event of default or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient.

No waiver of any event of default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent event of default or shall impair any rights or remedies consequent thereon.

Section 904. Right of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the holders of not less than a majority in aggregate principal amount of Bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

Section 905. Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee and its Counsel, be deposited in the Bond Fund and all such moneys in the Bond Fund shall be applied to the payment of the principal (and premium, if any) and interest then due and unpaid upon the Bonds and coupons, without preference or priority of any kind, ratably, according to the amounts due and payable on such Bonds and coupons for principal (and premium, if any) and interest, respectively, to the persons entitled thereto, without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the holder of any unpaid coupon or any Bond until such coupon or such Bond and all unmatured coupons, if any, appertaining to such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if the Bond or the coupon is to be fully paid.

Whenever all principal of, premium, if any, and interest on all Bonds have been paid under the provisions of this Section 905 and all expenses and charges of the Trustee and any paying agents have been paid, any balance remaining in the Bond Fund shall be paid to the Company as provided in Section 411 hereof.

Section 906. Remedies Vested in Trustee. All rights of action (including the right to file proofs of claims) under this Indenture or under any of the Bonds or coupons may be enforced by the Trustee without the possession of any of the Bonds or coupons or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants

any holders of the Bonds or coupons, and any recovery of judgment shall be for the equal and ratable benefit of the holders of the outstanding Bonds and the bearers of the outstanding coupons.

Section 907. Rights and Remedies of Bondholders.

No holder of any Bond or coupon shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless (i) a default has occurred of which the Trustee has been notified as provided in subsection (g) of Section 1001 hereof, or of which by said subsection it is deemed to have notice, (ii) such default shall have become an event of default and be continuing, (iii) the holders of not less than a majority in aggregate principal amount of Bonds then outstanding shall have made written request to the Trustee, shall have offered the Trustee reasonable opportunity either to proceed to exercise the powers herein granted or to institute such action, suit or proceeding in its own name, and shall have offered to the Trustee indemnity as provided in Section 1001 hereof, and (iv) the Trustee shall thereafter fail or refuse to exercise the powers herein granted, or to institute such action, suit or proceeding in its own name. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder. No one or more holders of the Bonds or coupons shall have any right in any manner whatsoever to enforce any right hereunder except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the holders of all Bonds then outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of, premium, if any, and interest on any Bond at and after the maturity thereof.

Section 908. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no such

proceedings had been taken and no such termination shall impair any proceeding or right consequent to any other or subsequent default.

Section 909. Waivers of Events of Default. The Trustee may in its discretion waive any event of default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on the Bonds, and shall do so upon the written request of the holders of (i) not less than a majority in aggregate principal amount of all Bonds then outstanding in respect of which default in payment of principal of, premium, if any, or interest, or more than one, exists or (ii) a majority in aggregate principal amount of all of the Bonds then outstanding in the case of any other default, provided, however, that there shall not be waived (a) any event of default in the payment of the principal of any outstanding Bonds when due (whether at maturity or by optional redemption) or (b) any event of default in the payment when due of the interest on any such Bonds, unless prior to such waiver, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such default shall have occurred on overdue installments of interest and all arrears of principal and premium, if any, when due, as the case may be, and all expenses of the Trustee and its counsel in connection with such default shall have been paid or provided for. In the case of any such waiver, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other default, or impair any right consequent thereon. All waivers under this Indenture shall be in writing and a copy thereof shall be delivered to the Issuer and to the Company.

Section 910. Opportunity of the Company to Cure Defaults. The Issuer hereby grants the Company full authority for account of the Issuer to perform or observe any covenant or obligation of the Issuer alleged in a written notice to the Issuer from the Trustee not to have been performed or observed, in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do in order to remedy such default.

## ARTICLE X

### THE TRUSTEE

Section 1001. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified in (1) below, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Company). The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein, or in the Bonds (except with respect to the certificate of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture, or for the validity of the execution by the Issuer of this Indenture or any instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article VI hereof.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds and coupons with the same rights which it would have if it were not Trustee.

(d) The Trustee shall be protected in acting upon any notice, request, resolution, consent, certificate, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in place thereof.

(e) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer by the Authorized Issuer Representative as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (g) of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate signed on behalf of the Issuer by the Authorized Issuer Representative to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the Issuer to cause to be made any of the payments to the Trustee required

to be made by Article IV hereof unless the Trustee shall be specifically notified in writing of such default by the Issuer or by the holders of at least twenty-five per cent (25%) in aggregate principal amount of all Bonds then outstanding.

(h) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the Project including all books, papers and records of the Issuer pertaining to the Project and the Bonds, and to take such memoranda from and in regard thereto as may be desired subject to the provisions of Section 5.2 of the Agreement.

(i) The Trustee shall not be required to give any bonds or surety in respect of the execution of its trusts and powers hereunder.

(j) Before taking any action under Article IX hereof or this Section 1001 or Section 1004 hereof at the request or direction of the Bondholders, the Trustee may require that a satisfactory indemnity bond be furnished by the Bondholders for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default in connection with any action so taken.

(k) All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(l) If any event of default under this Indenture shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care as a prudent man would exercise or use in the circumstances in the conduct of his own affairs.



Section 1002. Fees, Charges and Expenses of Trustee.

The Trustee shall be entitled to payment and/or reimbursement from the Company for reasonable fees for its Ordinary Services rendered hereunder and all advances, counsel fees and other Ordinary Expenses reasonably and necessarily made or incurred by the Trustee in connection with such Ordinary Services and, in the event that it should become necessary that the Trustee perform Extraordinary Services, it shall be entitled to reasonable extra compensation therefor, from the Company, and to reimbursement from the Company for reasonable and necessary Extraordinary Expenses in connection therewith; provided, that if such Extraordinary Services or Extraordinary Expenses are occasioned by the negligence or misconduct of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement from the Company for the reasonable fees and charges of the Trustee as paying agent and Bond Registrar for the Bonds and coupons. Upon the occurrence of an event of default and during its continuance, the Trustee shall have a first lien with right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond upon all moneys in its possession under any provisions hereof for the foregoing advances, fees, costs and expenses incurred.

Section 1003. Notice to Bondholders if Default Occurs.

If a default occurs of which the Trustee is by subsection (g) of Section 1001 hereof required to take notice or if notice of default be given as in said subsection (g) provided, then the Trustee shall promptly give written notice thereof by first class mail within 15 days, unless such default is cured or waived, to the last known owners of all Bonds then outstanding shown by the list of Bondholders required by Section 209 hereof to be kept at the office of the Trustee.

Section 1004. Intervention by Trustee.

In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of owners of the Bonds, the Trustee may intervene on behalf of Bondholders and, subject to the provisions of Section 1001(j), shall do so if requested in writing by the owners of a majority in aggregate principal amount of all Bonds then outstanding. Nothing in this Section 1004 shall be construed so as to diminish the enforceability by the Issuer of its remedies under Section 6.2(c) of the Agreement.

Section 1005. Successor Trustee. Any corporation or association into which the Trustee may be merged, or with which it may be consolidated, or to which it may sell, lease or transfer its corporate trust business and assets as a whole or substantially as a whole, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument on the part of any of the parties hereto.

Section 1006. Resignation by the Trustee. The Trustee may at any time resign from the trusts hereby created by giving sixty days' written notice to the Issuer and to the Company and to each holder of Bonds as shown by the list of Bondholders required by Section 209 hereof, and such resignation shall take effect at the appointment of a successor Trustee pursuant to the provisions of Section 1008 hereof and acceptance by the successor Trustee of such trusts. If no successor Trustee shall have been so appointed and have accepted appointment within sixty (60) days of the giving of written notice by the resigning Trustee as aforesaid, the resigning Trustee or the holder of any Bond may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 1007. Removal of the Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered to the Trustee, the Issuer, and the Company and signed by the owners of a majority in aggregate principal amount of Bonds then outstanding.

Section 1008. Appointment of Successor Trustee.  
In case the Trustee hereunder shall:

- (a) resign pursuant to Section 1006 hereof;
  - (b) be removed pursuant to Section 1007 hereof;
- or
- (c) be dissolved, taken under the control of any public officer or officers or of a receiver appointed by a court, or otherwise become incapable of acting hereunder,

a successor shall be appointed by the Issuer with the written consent (which shall not be unreasonably withheld) of the Company; provided, that if a successor Trustee is not so

appointed within ten days after notice of resignation is mailed or instrument of removal is delivered as provided under Sections 1006 and 1007 hereof, respectively, or within ten days of Issuer's knowledge of any of the events specified in (c) hereinabove, then the holders of a majority in aggregate principal amount of Bonds then outstanding, by an instrument or concurrent instruments in writing signed by or on behalf of such holders, may designate a successor Trustee. Every such successor Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank in good standing, within or outside the State of Illinois, having a reported capital and surplus of not less than \$10,000,000 and willing to accept the trusteeship under the terms and conditions of this Indenture.

In case at any time the Trustee shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article X prior to the date specified in the notice of resignation as the date when such resignation shall take effect, the holder of any Bond or the resigning Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

Section 1009. Concerning Any Successor Trustees.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer and the Company an instrument in writing accepting such appointment hereunder, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor; but, nevertheless, (1) such predecessor shall, on the written request of the Issuer, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder and (2) every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

## ARTICLE XI

### SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Trustee may without the consent of, or notice to, any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity or to cure, correct or supplement any defective provision of this Indenture in such manner as shall not impair the security hereof or adversely affect the Bondholders;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee or either of them;

(c) To pledge and assign additional revenues, properties or collateral under this Indenture;

(d) To modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar Federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States of America; or

(e) To evidence the appointment of a separate Trustee or a co-trustee or the succession of a new Trustee or paying agent hereunder.

The Issuer and the Trustee shall, without the consent of, or notice to (except as hereinafter stated), any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture with respect to the issuance of Additional Bonds as provided in Section 301 hereof.

Section 1102. Supplemental Indentures Requiring Consent of Bondholders. Exclusive of supplemental indentures covered by Section 1101 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the holders of not less than 66 2/3% in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided, however, that nothing in this Section contained shall permit or be construed as permitting (a) an extension of the maturity date of the principal of, an extension of the mandatory redemption date of, or an extension of the time for payment of the interest on any Bond issued hereunder (without the consent of all of the holders of the Bonds at the time outstanding), or (b) a reduction in the principal amount of, or redemption premium or the rate of interest on, or sinking fund redemption requirements with respect to, any Bond, or (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture.

If at any time the Issuer shall request the Trustee to enter into any such supplemental indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be published as shall be requested by the Issuer and in any event one time in an Authorized Newspaper or in an Authorized Financial Journal. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty days or such longer period as shall be prescribed by the Issuer following the publication of such notice, the holders of 66 2/3% in aggregate principal amount of the Bonds outstanding at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, no holder of any Bond or coupon shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same

or from taking any action pursuant to the provisions thereof. The Issuer shall have the right to extend from time to time the period within which such consent and approval may be obtained from Bondholders. Upon the execution of any such supplemental indenture as in this Section 1102 permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

If, because of the temporary or permanent suspension of the publication or general circulation of any newspaper or financial journal or for any other reason, it is impossible or impractical to publish any notice required in this Section 1102, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of notice.

Section 1103. Consent of Company and the Trustee to Supplemental Indentures. Anything herein to the contrary notwithstanding, a supplemental indenture under this Article XI which affects any rights of the Company shall not become effective unless and until the Company shall have consented to the execution and delivery of such supplemental indenture. Anything herein to the contrary notwithstanding, a supplemental indenture under this Article XI which affects any rights of the Trustee shall not become effective unless and until the Trustee shall have consented to the execution and delivery of such supplemental Indenture. The Trustee shall cause notice of the proposed execution and delivery of any supplemental indenture together with a copy of the proposed supplemental indenture to be mailed by certified or registered mail to the Company.

## ARTICLE XII

### AMENDMENT OF AGREEMENT

Section 1201. Amendments, etc., to Agreement Not Requiring Consent of Bondholders. The Issuer and the Company may without the consent of or notice to any of the Bondholders consent to any amendment, change or modification of the Agreement as may be required (a) by the provisions of the Agreement or this Indenture, (b) for the purpose of curing any ambiguity or formal defect or omission, (c) so as to provide the Issuer (and/or the Trustee as assignee of the Issuer) with additional rights, remedies, powers or authority acquired in accordance with the provisions of the Agreement, (d) so as to more precisely identify the Project or substitute or add thereto other property,

or (e) in connection with any other change therein which, in the judgment of the Trustee, is not to the prejudice of the Trustee or the holders of the Bonds or (f) in connection with the issuance of Additional Bonds. The Agreement shall not be amended without the consent of the Trustee.

Section 1202. Amendments, etc., to Agreement Requiring Consent of Bondholders. Except for the amendments, changes or modifications as provided in Section 1201 hereof, neither the Issuer nor the Trustee shall consent to any other amendment, change or modification of the Agreement without publication of notice and the written approval or consent of the holders of not less than 66 2/3% in aggregate principal amount of the Bonds at the time outstanding given and procured as provided in this Section 1202. If at any time the Issuer and the Company shall request the consent of the Trustee to any such proposed amendment, change or modification of the Agreement, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be published in the same manner as provided by Section 1102 hereof with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file with the Trustee for inspection by all Bondholders.

Section 1203. Reliance on Opinion of Counsel. The Issuer and the Trustee may rely upon an opinion of Counsel to the effect that any such proposed amendment, change or modification will comply with the provisions of this Article XII.

### ARTICLE XIII

#### DEFEASANCE

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made to or for the holders and owners of the Bonds and coupons appertaining thereto the principal, premium, if any, and interest due or to become due thereon at the times and in the manner stipulated therein, and if the Issuer shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Indenture expressed as to be kept, performed and observed by it or on its part, and shall pay or cause to be paid to the Trustee and any paying agent all sums of money due or to become due according to the provisions hereof, then these presents

and the estate and rights hereby granted shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy the lien hereof, and release, assign and deliver unto the Issuer any and all of the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee or otherwise subject to the lien of this Indenture, except amounts in the Bond Fund required to be paid to the Company under Section 411 hereof and except moneys or securities held by the Trustee for the payment of the principal of, premium, if any, and interest on, the Bonds.

Any Bond shall be deemed to be paid within the meaning of this Indenture when payment of the principal of and the applicable premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, (1) moneys sufficient to make such payment and/or (2) obligations of, or guaranteed as to principal and interest by, the United States of America which are noncallable and which at the time of investment are legal investments under the laws of the State of Illinois for the moneys proposed to be invested therein ("Governmental Obligations") (providing that there shall be delivered to the Trustee an opinion of Bond Counsel stating that such deposit will not affect the tax-exempt status of the interest on any of the Bonds or cause any of the Bonds to be classified as arbitrage bonds within the meaning of Section 103(c)(2) of the Code), maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payments at the time designated by the Company, and all necessary and proper fees, compensation and expenses of the Trustee and any paying agent pertaining to the Bonds with respect to which such deposit is made and any provisions of this Indenture shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. The Trustee shall establish a separate account for all moneys deposited pursuant to clause (ii) of the preceding sentence, and it shall invest and reinvest such funds in Governmental Obligations selected by it in a reasonable manner. Such Governmental Obligations shall mature in the amounts and times as hereinbefore set forth, and all income from all Governmental Obligations in the hands of the Trustee pursuant



to this Article which is not required for the payment of the Bonds and interest and premium thereon with respect to which such moneys shall have been so deposited, shall be transferred to the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Governmental Obligations.

Notwithstanding the foregoing, no deposit under clause (ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until (1) proper notice of redemption of such Bonds shall have been previously given in accordance with Article VII hereof or in the event said Bonds are not to be immediately redeemed, until the Company shall have given the Trustee on behalf of the Issuer, in form satisfactory to the Trustee, notice of the date on which the Bonds are to be redeemed (which date may be selected by the Company in its discretion in accordance with Article VII hereof) and irrevocable instructions to notify as soon as practicable the holders or owners of the Bonds and the holders of the coupons appertaining to the coupon Bonds, in accordance with Article VII hereof, that the deposit required by (ii) above has been made with the Trustee and that said Bonds and coupons are deemed to have been paid and stating such redemption date upon which moneys are to be available for the payment of the redemption price of said Bonds or (2) the maturity of such Bonds.

Notwithstanding any provision of any other Article of this Indenture which may be contrary to the provisions of this Article, but subject, however, to the second paragraph of Section 408 hereof, all moneys or Governmental Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest and premium thereon, if any) and coupons shall be applied to and used solely for the payment of the particular Bonds (including interest and premium thereon, if any) with respect to which such moneys and Governmental Obligations have been so set aside in trust.

Anything in Article XI hereof to the contrary notwithstanding, if moneys or Governmental Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article XIII shall be made without the consent of the holder of each Bond affected thereby.

## ARTICLE XIV

### MISCELLANEOUS

Section 1401. Consents, etc., of Bondholders. Any consent, approval, direction or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, approval, direction or other instrument or of the writing appointing any such agent and of the ownership of coupon Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument namely:

(a) The fact and date of the execution by any person of any such instrument or writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument or writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of the holding by any person of coupon Bonds transferable by delivery and the amounts and numbers of such Bonds, and the date of the holding of the same, may be proved by a certificate executed by any trust company, bank or banker, wherever situated, stating that at the date thereof the party named therein did exhibit to an officer of such trust company, bank or banker, as the property of such person, the Bonds therein mentioned if such certificate shall be deemed by the Trustee to be satisfactory. The Trustee may, in its discretion, require evidence that such Bonds have been deposited with a trust company, bank or banker, before taking any action based on such ownership. In lieu of the foregoing the Trustee may accept other proofs of the foregoing as it shall deem appropriate. For all purposes of this Indenture and of the proceedings for the enforcement hereof, such person shall be deemed to continue to be the holder of such Bond until the Trustee shall have received notice in writing to the

contrary.

(c) The fact of ownership of Bonds registered otherwise than to bearer and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the Issuer maintained by the Trustee pursuant to Section 203 hereof.

In determining whether the holders of the requisite principal amount of Bonds outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by the Company or any affiliate of the Company shall be disregarded and deemed not to be outstanding under this Indenture, except that in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded. For purposes of this paragraph an "affiliate" means any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company; and for the purposes of this definition, "control" means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Company or any affiliate of the Company.

Section 1402. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto and the holders of the Bonds and coupons any legal or equitable right, remedy or claim under or in respect to this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the parties hereto and the holders of the Bonds and the coupons as herein provided.

Section 1403. Severability. If any provision of this Indenture shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or Sections in this Indenture contained, shall not affect the remaining portions of this Indenture, or any part thereof.

Section 1404. Notices. It shall be sufficient service of any notice or other paper on the Issuer if the same shall be duly mailed to the Issuer by first class mail addressed to it at 100 North LaSalle Street Room 1903, Chicago, Illinois 60602, Attention: Executive Director, or to such address as the Issuer may from time to time file with the Trustee and the Company. It shall be sufficient service of any notice or other paper on the Company if the same shall be duly mailed by first class mail addressed to it at 900 Jorie Boulevard, Oak Brook, Illinois 60521, Attention: General Counsel or to such other address as the Company may from time to time file with the Issuer and the Trustee. It shall be sufficient service of any notice or other paper on the Trustee if the same shall be duly mailed to the Trustee by first class mail addressed to it at 30 North LaSalle Street, Chicago, Illinois 60693, Attention: Corporate Trust Department, or to such other address as the Trustee may from time to time file with the Issuer and the Company.

Section 1405. Payments Due on Sundays and Holidays. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be in the location of the principal corporate trust office of the Trustee, a Saturday, Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal (and premium, if any) need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

Section 1406. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1407. Applicable Law. This Indenture shall be governed exclusively by and construed in accordance with the laws of the State of Illinois applicable to contracts made and to performed in the State of Illinois.

IN WITNESS WHEREOF, Illinois Environmental Facilities Financing Authority, has caused these presents to be signed in its name and behalf by its Chairman or Vice-Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and to evidence its acceptance of the trusts hereby created Continental Illinois National Bank and Trust Company of Chicago has caused these presents to be signed in its name and behalf, its official seal to be hereunto affixed, and the same to be attested by its duly authorized officers, all as of the first day of September, 1980.

ILLINOIS ENVIRONMENTAL FACILITIES  
FINANCING AUTHORITY

(SEAL)

By \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Secretary

CONTINENTAL ILLINOIS NATIONAL BANK  
AND TRUST COMPANY OF CHICAGO,  
as Trustee

(SEAL)

By \_\_\_\_\_  
Its Vice President

Attest:

\_\_\_\_\_  
Its Trust Officer